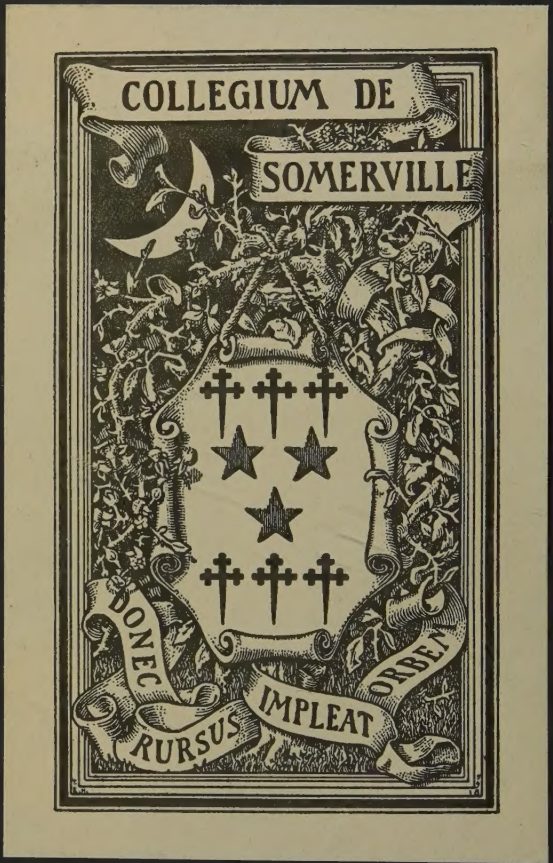
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A HISTORY

OF

THE COLONY OF VICTORIA

Crown 8*vo*, 5*s*.

THE DEVELOPMENT

OF

AUSTRALIAN LITERATURE.

BY

HENRY GYLES TURNER

AND

ALEXANDER SUTHERLAND.

With Portraits and Illustrations.

LONGMANS, GREEN, AND CO.,

LONDON, NEW YORK AND BOMBAY.

A HISTORY

OF THE

COLONY OF VICTORIA

FROM ITS DISCOVERY TO ITS ABSORPTION
INTO THE

COMMONWEALTH OF AUSTRALIA

IN TWO VOLUMES

VOL. II.

A.D. 1854-1900

BY

HENRY GYLES TURNER

FELLOW OF THE INSTITUTE OF BANKERS, LONDON
FELLOW OF THE ROYAL GEOGRAPHICAL SOCIETY, LONDON, ETC., ETC

LONGMANS, GREEN, AND CO.
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TABLE OF CONTENTS.

CHAPTER I.

The Goldfields and Their Management.

Summary of the gold discoveries—The Upper Yarra—Anderson's Creek, Buninyong, Clunes, Golden Point, Ballaarat, Mount Alexander, Forest Creek, Bendigo, Heathcote, Mount Korong, Avoca, The Ovens district, Omeo—The licence fee—Contemporary legislation and regulation—Difficulties of collection—W. H. Wright, Chief Commissioner of Goldfields—Sly grog-selling prosecution—Discontent of miners—Meeting of 2,000 miners at Bendigo—Deputation to Mr. Latrobe—Unsatisfactory results—Police and military concentrated on field—Defiant attitude of miners—Government practically capitulates—The Goldfields Management Act of 1853—Sir Charles Hotham visits the goldfields—Well received—Number and character of the mining population of 1854—Presage of the coming storm . . . . . *Pages* 1-22

CHAPTER II.

The Revolt of the Diggers.

Ballaarat in 1854 — Miners and officials — The Eureka Hotel — A venal magistrate—Murder of Scobie—Mob burn the hotel—Three of the crowd arrested, tried, convicted and sent to gaol—The diggers formally demand their release — Hotham refuses — Formation of the Ballaarat Reform League—Its leading members—Mass meetings—Despatch of troops from Melbourne—Some of them intercepted and assaulted—Meeting of 29th November—Resolution to burn licences—Foolish order by Governor for a revival of licence hunting—Diggers' organisation and drill—The Eureka stockade—Details of the storming—The dead, wounded and prisoners—Allegations of brutality against the police—Colonel Vern's mock-heroics—Escape of Peter Lalor — Alarm in Melbourne — Stormy meetings to denounce the Government—Hotham's preparations—New Radical Constitution proposed — Eureka prisoners sent to Melbourne for trial — All eventually acquitted amidst much popular applause . *Pages* 23-51

CHAPTER III.

The Transition to Responsible Government.

Sir Charles Hotham's difficulties—Report of the Goldfields Commission—Denunciations of Chief Secretary Foster—His resignation—W. C. Haines succeeds him—Friction between Hotham and the Council—The transfer to the New Constitution—Ministerial claims for compensation—Attempt of Mr. Nicholson to form a Ministry—Its failure—Great anxiety of the Governor—His death on 30th December, 1855—General Macarthur assumes office temporarily—The work of the Council—The Ballot Bill—The first election under New Constitution—Its results—Popular outcry for further reform—Entry of Mr. Charles Gavan Duffy into Victorian politics—Assembling of the first Parliament—What it had under its control . . . . . *Pages* 52-71

CHAPTER IV.

The Administration of Sir Henry Barkly, 1856-1863.

Character and antecedents of new Governor—The position of parties in the Legislative Assembly—Duffy's Bill for abolishing members' financial qualification—His Immigration Bill—Retirement of Sir Wm. A'Beckett—Mr. Stawell appointed Chief Justice—The first O'Shanassy Ministry—The first McCulloch Ministry—Death of Lady Barkly—Manhood suffrage introduced—The Haines Land Bill—The second O'Shanassy Ministry—Increase of members—Shortening of Parliaments—Quarrel between O'Shanassy and Duffy—The Nicholson Ministry—Its Land Act—Eastern Market agitation—The Heales Ministry—Character of the leader—His Land Bill—Payment of members—The third O'Shanassy Ministry—The Duffy Land Act—McCulloch in power again—The Governor's salary reduced—Progress of railway construction—First railway loan floated—Improved condition of Melbourne—Telegraphs—Mining industry—Nomadic habits of the digger—Rushes to Port Curtis and New Zealand—Population of colony—Growth of inland towns—The penal department; murder of Price—Exploration of interior—The story of Burke and Wills—Departure of Sir Henry Barkly . . . . . *Pages* 72-111

CHAPTER V.

An Era of Constitutional Struggle, 1864-1868.

Sir Charles Darling's character and antecedents—General election of 1864—The birth of Protection—Twenty-five years' experience of it—The opinions of McCulloch, Higinbotham, Michie and Verdon—The Land Act of 1865—The new tariff—The tack—McCulloch's resolutions—Public payments suspended—Conflict with Supreme Court—Scheme for making payments—Tariff Bill rejected by Council—General election, 1865—The Hugh George fiasco—Colonial Secretary admonishes the Governor—Appropriation Bill passed—Recall of Sir Charles Darling—Arrival of Sir J. H.

Manners-Sutton — Treasurer sent to London — Mr. Higinbotham's characteristics—Darling grant allowed by Home Government—Another tack—General election, 1868—McCulloch resigns—The Sladen Ministry unable to do business—Sir Charles Darling declines the grant—Close of the contest—Sladen's Bill for widening franchise of the Council carried, September, 1868 . . . . . *Pages* 112-148

CHAPTER VI.

Political and Social Survey of the Early Seventies.

The visit of Prince Alfred—McCulloch Ministry defeated—Brief career of the McPherson Ministry—The Land Act of 1869—McCulloch returns to power—Again displaced by Duffy as Premier—His arcadian proposals—Sir George Verdon retires from politics—Knighthood of Sir C. G. Duffy—Defeated on questions of improper patronage—The Francis Ministry—The Education Act of 1873—Its serious cost—General election of 1874—Mr. James Service returns to politics—His character and qualifications—Mr. Kerferd succeeds Francis as Premier—The Local Government Act of 1874—Mr. Service's proposals as Treasurer—Kerferd Ministry defeated by Graham Berry—Progress of the colony, 1863-75—Departure of Sir J. H. Manners-Sutton—Arrival of Sir George Bowen—Their respective characters . . . . . *Pages* 149-179

CHAPTER VII.

The Berry Influence, 1875-1882.

Payment of members—Mr. Graham Berry, his character and methods—His land tax—Restoration of McCulloch—His quarrel with Higinbotham—Retirement of Higinbotham—The "Stonewall" party—The "Iron hand"—McCulloch's financial proposals—Expulsion of James McKean—General election, 1877—The Reform and Protection League—Defeat of McCulloch—Graham Berry's Ministry—Sir Charles Gavan Duffy elected Speaker—The Land Tax Act, 1877—Payment of Members Bill—Dispute with the Council—Appropriation Bill laid aside—Black Wednesday—Dismissal of Judges and other public servants—Panic in Melbourne—Sir George Bowen vindicates himself—Secretary of State misled—Payment of Members Bill passed by Council—Transfer of Sir George Bowen to Mauritius—Legislative Council submits Bill for reforming its Constitution—Ignored by the Assembly—The Berry Reform Bill—Rejected by Council—The Embassy to England—Denounced by the Opposition and ridiculed by the press—Secretary of State tries to stop the Embassy—Reception of Graham Berry in London—His failure and return—Fails to carry a fresh Reform Bill in the Assembly—Granted a dissolution—Retirement of Sir C. G. Duffy from political life—General election, 1880—Adverse to Berry—James Service succeeded—His Reform Bill fails to pass—Another general election—Service defeated and resigns—Berry returns to power—

Temporary measure for payment of members of Assembly renewed by Council—The Berry Reform Bill of 1881—Disputes and conferences—Finally amended and passed by Council—Berry's waning popularity—Defeated by Sir Bryan O'Loghlen and resigns—The O'Loghlen Ministry—What Berry had cost the country . . . . . *Pages* 180-218

CHAPTER VIII.

"Peace, Progress and Prosperity."

The International Exhibition of 1880 and its predecessors—Suppression of bushranging in Victoria—Career of the Kelly gang—What it cost to destroy them—Colourless character of Sir Bryan O'Loghlen's administration—Fresh anti-Chinese legislation—What led up to it—Session of 1882—General election of 1883—Sir Bryan O'Loghlen and Sir John O'Shanassy rejected at the polls—Death of the latter—Mr. Service called for—Resignation of O'Loghlen Ministry—The Service-Berry Coalition—Public Service Act—Railway Management Act—Mr. Speight appointed—The New Guinea and New Hebrides movements—Condition of the finances—General prosperity of the country—Mr. Service retires, Mr. Berry becomes Agent-General, Mr. Kerferd goes on the Supreme Court bench—Dissatisfaction of the Bar—Mr. Service defends the appointment—Departure of the Marquis of Normanby and arrival of his successor, Sir Henry Loch—Rumours of knighthood for retiring Ministers—Departure of Sir Graham Berry for London in the same ship with Sir James McCulloch . . . . . *Pages* 219-252

CHAPTER IX.

The Era of Extravagance.

Reconstruction of the Coalition Ministry—Acts of Parliament passed—The Irrigation Act, its reception and working—Governor's speech on opening Parliament, June, 1886—Decadence of mining—The Gillies budget—Increased taxation—Timber and sugar duties—Heavy cost of Civil Service—Lavish generosity of the House—Prodigal expenditure of the community—Queen Victoria's Jubilee, 1887—Great expansion of buildings—The Centennial International Exhibition, 1888—Its objects and character—Opening ceremonies—Income and expenditure—The Imperial Conference of 1887—Mr. Higinbotham refuses to take up duties of Acting Governor on existing lines—Sir William Robinson appointed—Resignation of the Speaker—Appointment of Mr. M. H. Davies as his successor—New outbreak of anti-Chinese feeling in 1888—Conference thereon in Sydney—Ah Toy *v.* Musgrove—Increase in number of members, December, 1888—Sir Henry Loch's departure—Earl of Hopetoun, his successor, favourably received—The troubles of 1890—Motions of want of confidence—The Octopus Railway Bill—The budget—Reprehensible

book-keeping—The unemployed—The great maritime strike of August, 1890—Its origin and development—A fight between Union and Non-union labour—Mass meeting in Melbourne—A fight to the finish, stopped by withdrawal of maritime officers—Collapse of the strike—Its official report, finances and results—The fall of the Ministry—Mr James Munro succeeds—Retires in February, 1892—Mr. William Shiels reforms the Cabinet—Return of Sir Graham Berry to office as Treasurer—Mr. Bent elected Speaker—The Shiels Government defeated by Mr. J. B. Patterson, January, 1893 . . . . . *Pages* 253-290

CHAPTER X.

Days of Trial—The Lean Years that Ended the Century.

Gloomy opening of the last decade—The land boom of 1888 a misnomer—The seeds of disaster sown in 1885 and onwards—The antecedent causes of the crisis—Summary of total borrowings, 1885-91—Expenditure of loan money by Government, Municipalities, Building Societies, Pastoral Companies and Land Jobbing, Credit Dealing Finance Institutions—Building Societies, perversion of the principles—Spread of bogus companies—Responsive echo from London—The scramble for deposits—Deceptive tactics — Change of names — The beginning of suspensions in 1891 — Seriousness of position in 1892—The Bank crisis of 1893—The hopelessness of liquidation—General acquiescence in reconstruction—Enormous amount involved — Ineptitude of the Government — Comparison with Government action in New South Wales — Suspension of the great pastoral companies—The aftermath—Sir Graham Berry's budget of 1892 —Proposals for increased Custom duties—Unpopularity of the Treasurer—Mr. Shiels and the Railway Commissioners—Ministry defeated by Mr. J. B. Patterson—The new Cabinet—Character and antecedents of Sir James Patterson—His weakness during the financial crisis—His drastic retrenchment in the Civil Service—His Treasurer's budget unfavourably received—Ministry defeated by Mr. George Turner—The new Government and who composed it—Graham Berry made Speaker—A five years' tenure —Restoration of the finances in 1897—New land legislation—Bountiful harvests, 1897-98-99—General election of 1897—Rejection of "The people's tribune"—Proposals to pension him by the House—Final compromise—Change of Governors—Temporary supersession of the Turner Ministry—Restored to office, 1900—Translation of Sir George Turner to Commonwealth Ministry . . . . . *Pages* 291-326

CHAPTER XI.

The Commonwealth—Retrospect and Prospect.

Completion of the Federal Bond—Summary of its progressive steps from 1849 to 1899—The sixty-five years' annals of Port Phillip, coincident with the reign of Queen Victoria—Australian loyalty examined—Results of local

self-government — Experimental legislation in connection with land — Object-lessons for English democracy—Manhood suffrage—Payment of members — Railway management—Results of Protection—Hostility to immigration — Hopeful outlook for future in development of natural productions, meat, butter, wheat, wool and wine — Inadequacy of present cultivation as compared with private holdings—Increased population the great essential . . . . . *Pages* 327-356

INDEX . . . . . *Pages* 357-389

ERRATA.

Page 9, line 16, *read* sometimes carried it out.
,, 64, ,, 22, *for* Perennial *read* Triennial.
,, 152, ,, 25, ,, deliberate ,, deliberative.

CHAPTER I.

THE GOLDFIELDS AND THEIR MANAGEMENT.

In a previous chapter it has been shown that vague rumours of gold discoveries in Australia were current long before 1851. As far back as 1839 Count Strzelecki reported, in a letter to Captain Philip King, R.N., that he had found grains of gold in silicate, and although he had been unable to trace the veins, he was satisfied that they indicated the country to be auriferous. Two years later the Rev. W. B. Clarke, of Sydney, produced some pieces of quartz impregnated with gold, which he had found in the ranges near Parramatta, but he was urged by the Governor not to make his discovery public. Again in 1844 Sir Roderick Murchison, on purely scientific grounds, based upon his knowledge of the geological formation of the country, predicted the existence of gold in Australia. The reasons which delayed for ten years the development of so important a factor in the country's wealth are not far to seek. When the discoveries of Hargraves had plunged the Colonies into wild excitement, it became necessary for the pioneering speculators to vindicate themselves. The explanation of Count Strzelecki covers all the others: "I was warned," he writes, "of the responsibility I should incur if I gave publicity to the discovery, since, as the Governor argued, by proclaiming the Colonies to be gold regions, the maintenance of discipline among 45,000 convicts, which New South Wales, Tasmania and Norfolk Island contained, would become almost impossible, and unless the penal code should be amended at home, transportation would become a premium upon crime, and cease to be a punishment". Therefore the Count, and others who had like experience, deferred to the wishes of the authorities, much as they were opposed to their private interests.

The accidental discoveries of these earlier years had really little value from the scientific standpoint, and none on commercial grounds. They were not the result of intelligent research, and in the ignorance then generally prevalent of mining processes and the reduction of the gold-matrix could probably not have been turned to profit.

The earliest authentic records in Victoria do not go beyond 1849. Dr. Clutterbuck, who resided in Port Phillip for ten years, and went to England in September, 1849, says that three weeks before he left there was a report of a discovery, in the Pyrenees, which bid fair to rival the richness of California. And he adds: "Captain White of the *Berkshire*, which left Port Phillip on the 25th of February, 1849, purchased 14 oz., at 80s. per oz., from Mr. Brentani, who is said to be in possession of a large quantity, one piece weighing 72 oz. I saw one lump of great purity, which weighed 22 oz." In the importance of after events their inception is apt to be antedated, but these dates are proved authentic by the fact that Dr. Clutterbuck published his book in London in January, 1850, before any attention had been attracted to the subject.

It was not, however, until about the time of the offer of a reward by the citizens of Melbourne that the local search began in earnest. The meeting that resolved on that step was held on the 9th of June, 1851, and on the following day a statement was published by Mr. Wm. Campbell, a member of the Legislative Council, referring to specimens of gold-bearing quartz which he had found in the previous March on the station of Donald Cameron, near Clunes. During the month of May a large number of men were fossicking in the gullies of the Plenty Ranges, and on the 26th of that month two of them arrived in Melbourne and exhibited a good sample of fine gold-dust. On the 4th of June a rich specimen, reported vaguely to be from the "Pyrenees district," was exhibited in the window of a watchmaker in Swanston Street. On the 17th a piece of quartz, studded with gold, was shown, and said to have been found on the Merri Creek, quite close to Melbourne; and three days later a few ounces of fine gold were exhibited which had been gathered at King Parrot Creek, on the north side of the Plenty Ranges. A fortnight later, on the 5th of July, Louis John Michel,

a publican in Swanston Street, who had left his business for a few weeks to prospect on the upper Yarra, arrived in town with a few grains which he had washed out on the banks of the Deep Creek, a tributary of that river, about sixteen miles from Melbourne. He claimed to have discovered, and was ready to point out for a consideration, the first profitable goldfield in the colony. The evidence he could submit, and the immediate results attained, were certainly very trivial. Continuous working in the midwinter season was made impossible by floods and other difficulties; while the phenomenal finds reported soon afterwards from other districts induced the withdrawal of the majority of the two hundred diggers who had promptly followed up the footsteps of Michel's party. Yet it remains a fact that the comparatively insignificant find of Michel's has vindicated his claim for its permanence, by having been worked with fairly profitable results for half a century, under the name of the Anderson's Creek diggings. Its value as a discovery was recognised by the committee which had the invidious task of allotting the gold-finders' rewards subsequently voted by the Legislative Council, for that body granted £1,000 to Michel, being the same sum as they voted to the claimants for the opening of the Buninyong and Clunes fields respectively. While the initiatory stages of Anderson's Creek were receiving the attention of the Government, the stragglers who were ransacking the gullies of the Plenty Ranges found the "colour" in many places, and though they were gradually attracted away by the rumours of successes elsewhere, the district was afterwards, under more systematic prospecting, developed into a permanent field, and, known as the Caledonian diggings, worked with fairly profitable results until to-day.

On the same day that Michel disclosed his find at Anderson's Creek, a coach driver of Buninyong, named James Esmond, who had varied the monotony of his occupation by a resultless visit to California, made public in Geelong his discovery of rich quartz and alluvial gold in the district which came to be known as Clunes. The locality of his find was on Creswick's Creek, adjoining the site afterwards acquired by an English proprietary, "The Port Phillip Mining Company," out of which that company, during the next thirty years, took gold to the value of over £2,000,000 sterling. This

discovery caused a rush to set in towards Clunes with so much vigour that by the 1st of August between 300 and 400 diggers were encamped upon the ground, notwithstanding that it was an exceptionally wet and stormy month. But there were no great individual successes to keep up enthusiasm, there were no stores, and the difficulty of carting provisions over the miry bush tracks told heavily upon them. The gains did not seem to warrant the hardships, with the added risk of starvation, and the numbers were speedily reduced by one-half. The temporary desertion of the field was accelerated by the announcement on the 8th of August that a man named Thomas Hiscock had lighted upon another treasure-house in a gully on Mount Buninyong, and had sent some rich specimens to Geelong for assay. No doubt the value and extent of the initial find was exaggerated, for Hiscock's Gully, as the place was called, was soon exhausted. But the report of the Geelong assayer was very encouraging, and it was declared that the quality of the gold and the richness of the stone were far before anything yet seen from Clunes. It was sufficient to stir up a fresh burst of excitement in the community, and the *Geelong Advertiser* complacently annexed the new field as belonging to that district. In 1851 Buninyong was probably the only centre of settlement in the interior deserving the name of a township. It had the only church away from the sea-board; a rather popular elementary school, conducted by the pastor, the Rev. Wm. Hastie, at which the children of the numerous station employees received board and education for a very trifling fee; a respectable inn, two or three stores, and about a dozen cottages. Its site was high and healthful, and the rich volcanic soil produced the finest fruit in the colony, and furnished the pastoral tenants, far and wide, with hay and grain. All the places hitherto rushed had been in the unknown wilderness, but when the news of Hiscock's discovery was flaunted in the *Geelong Advertiser*, the people knew where they were bound for, and within a few weeks the bright little town on Corio Bay was almost denuded of its adult male population.

When this hurrying crowd, supplemented by an exodus from Clunes, converged on the little hamlet of Buninyong, it was soon evident that the area was too limited to find profitable employment for a tithe of the invaders. Nor were the immediate results at all

encouraging. Hiscock had got a reef, but it required time, capital and machinery to make its working profitable; the alluvial deposits were thinly scattered and soon exhausted. A goodly number gave up the quest after a week or two of severe but unproductive labour, and made for their homes. The more hopeful and energetic pushed on, following up the creeks and gullies for a dozen miles round. The result was to throw all previous discoveries into the shade. On the 26th of August a prospecting party of six, led by a man named Connor, unearthed the riches of Golden Point Ballaarat, and washed out 30 oz. for the first day's work. There were of course rival claimants for the honour of this important discovery, one party claiming to have tested the ground on the 24th, and another to have begun operations on the 25th. But the Commissioner, when that office was established, after investigations, acknowledged the priority of Connor by granting his party a double area in consideration thereof. None of the claimants were eligible for participation in the subsequently distributed Government rewards, because this was not looked upon as a new field, merely an extension of the recognised "Buninyong Goldfield," as it was officially known. The name afterwards given, that was to echo round the world as the symbol of auriferous wealth, had not yet been adopted. Mr. Latrobe, in advising the Secretary of State of the discovery, said on 10th October: "Early in September I obtained most conclusive information that a very considerable amount of gold began to find its way into the towns, from the vicinity of Buninyong. It was ascertained that the original working near the town had been abandoned on the discovery of another locality producing the precious metal in far greater abundance, in the valley of the River Leigh, about seven miles to the northward, and a large conflux of adventurers was pouring into the district." Within a week of the discovery the dissatisfied miners from Clunes, led by Esmond himself, began to arrive, and many who had set out on their return to Geelong were once more flocking northward. The digging was shallow and very productive, and when the news reached Melbourne that Esmond and a mate had got 30 lb. weight of gold in two days, the trouble in the Metropolis took on an acute form. The musical native name of Ballaarat, signifying a place of rest, was soon singularly inappropriate. The

undulating forested hills, the ferny creeks, the grassy slopes, and the picturesque Yarrowee with its wattle groves and reposeful beauty, were in a few weeks converted into an arena of physical wreckage and human struggle and greed. The yawning pits around were suggestive of the graveyard of some plague-infected district; acres were covered with heaps of disgorged gravel and muck; pools of slimy, yellow, clay-stained water, sludge, dirt and disorder were everywhere. Tents of canvas, huts of bark or slabs, and even the primitive aboriginal mia-mia of gathered boughs, afforded indifferent nightly shelter to the stalwart, eager workers, and the deliriously exciting but exacting labour went on incessantly while daylight lasted. Every man and every party was working then for his or their own benefit, and the restriction of the hours of labour was limited by physical endurance, and not by resolutions of trades unions. By the end of September there were fully 2,000 people at work on the field; a month later the number had nearly doubled, and it continued to increase until the middle of November, when disturbing rumours of the marvellous yields at Mount Alexander caused all who were only moderately successful to abandon their claims and rush off to the new land of promise.

The Mount Alexander goldfield, under which title the whole of the central auriferous district of the colony was for a time officially known, was discovered accidentally on the 20th of July. A hut-keeper, named Peters, on Dr. Barker's station came upon an alluvial deposit in the bed of Barker's Creek, a tributary of the Loddon River, and communicated his discovery to three of his fellow-servants. They managed to keep the fact to themselves for a few weeks, and panned out some very satisfactory results, until roving prospectors came across their trail, and by September something like two hundred diggers were turning over the soil on this and the adjacent creeks. The richest yields were at first obtained on Forest Creek, especially in the neighbourhood where it junctioned with Barker's and Campbell's Creeks, the site of the present town of Castlemaine. Working outwards from this centre, the rapidly increasing army of diggers seemed to find success in every direction. In October Fryer's Creek, five miles to the south, was opened up with astonishing results, and early in November the stragglers were attracted

away by the report of fabulous riches being gathered on the Bendigo Creek, thirty miles to the north. It was enough to upset all calculations and derange all plans for Government control, for within a few months this great central area was turning out gold to the value of £200,000 a week with the most primitive appliances, without any idea of the vast results to be achieved when scientific mining and suitable machinery should be brought to bear upon it.

All that had gone before was a mere flash in the pan compared with the results now being obtained, and so magnetic was the attraction that early in December Mr. Latrobe advised Earl Grey that 20,000 people were there, while Ballaarat was temporarily abandoned, not more than 300 diggers remaining. The latter statement was probably an under-estimate. A month later he wrote that during October, November and December, 1851, the Government Escort had brought down 94,524 oz., valued at £284,000, from Mount Alexander, while in the same period only 30,000 oz., valued at £90,000, came from Ballaarat, which of course included Clunes and Buninyong. In the official statement forwarded by Mr. Latrobe with the above figures, the Colonial Treasurer appends a note to the effect that the Escort returns did not cover more than two-fifths of the gold raised. Taking this as correct, and seeing that the value of what was so transmitted is understated by more than £100,000, it may be fairly assumed that the product of the mines during the last quarter of 1851 could have fallen very little short of the value of a million sterling. Indeed, this is under the estimate formed by Mr. Westgarth and contemporary press writers, but the incomplete basis on which the Government statistics were started quotes the value at less than half a million.

Before the eventful year came to a close other centres of attraction for the diggers, and other areas of distraction for the Government, were to be made public. On the 19th of December Mr. Latrobe wrote to his chief: "I have also received official information of gold-workings having been opened on a branch of the Goulburn River, about twenty miles from Kilmore; and further, that the whole of the Omeo country, a secluded district among the Australian Alps, but within the limits of the colony, is found to abound in the same precious metal. In short, judging from the general prevalence of

the geological formation in which gold has been hitherto found so abundantly over the whole length and breadth of the colony, I can contemplate no limit to the discoveries, or the results of the opening of these fields. Meantime, the whole structure of society and the whole machinery of Government is dislocated."

The dislocation was to be intensified by the discovery of the extensive and profitable goldfields in the remote Ovens district in the following year, which was also to witness the sudden rush of 20,000 people to the McIvor, and the creation of the town of Heathcote on that field. It would be compiling a mere catalogue to narrate in detail the opening up of the various districts during 1852-53, and the ebb and flow which affected the more important centres. The Mount Alexander field, which included Bendigo, remained easily first during that period. Extensive as was the area covered, the persistent inrush of population, pressing unduly upon the occupied ground, drove the gold-seekers farther afield, and every month brought tidings of new discoveries as well as startling revivals of productiveness in fields that had been temporarily abandoned after a mere surface scratching. It seemed fully to justify Mr. Latrobe's belief that he could contemplate no limit to the discoveries, and his oft-repeated doubt as to his ability to provide for the maintenance of order and the machinery of Government amidst these swirling and shifting masses of excited people.

By the time he had, with difficulty for the want of men, made his arrangements for police protection at Clunes, it was deserted in favour of Buninyong; as soon as a staff was organised for that place, the diggers fled to Ballaarat; and before the machinery could be got in order there, the thousands had melted to hundreds, and the process had to be commenced afresh at Forest Creek. Thence they streamed away to Bendigo, and out over the dry northern plains to Mount Korong, or on the west to Avoca and the Pyrenees, and on the east to the McIvor and the tributaries of the lower Goulburn. Meanwhile, from the remote districts on the upper Murray, and the mountain fastnesses of Omeo, came tidings of swarming adventurers from the adjacent territory of New South Wales overrunning the land, gathering golden spoil, and discarding allegiance to Victorian authority. No wonder that the harassed Governor had already

informed the Secretary of State that however suitable the licensing system might be to the conditions of New South Wales, whence it was adopted, "it never can be fully or satisfactorily carried out in this colony". Yet he adds: "While the Council is fully disposed to condemn the present licensing system, according to which the man who takes thousands from the ground and the man who is totally unsuccessful are presumed to pay alike, it is scarcely inclined to lend efficient aid to the collection of a royalty upon the actual amount of gold realised by the successful adventurer".

Such was the deliberate opinion in December, 1851, of the man who during the two following years was denounced as the fountain of all the troubles which arose from the harsh proceedings involved in the collection of the licence fee. Abused by the press and thwarted in the Legislature, he was held responsible by the unthinking crowd for the arrogance and tactlessness of subordinate servants of the State, many of whom, while possibly detesting the ungracious duty imposed on them, nevertheless carried it out with a brutal insolence that quite justified the eventual turmoil which led, through bloodshed, to reformation.

How the difficulties which so oppressed Mr. Latrobe were met by legislation, proclamation and regulation must be briefly told.

When the earliest discoveries of gold were made there was no definite enactment to prevent its appropriation by the finder, though the theory prevailed that it was the property of the Crown. In the winter of 1851 hundreds of people were gathering small golden harvests without let or hindrance. Necessarily, where many were assembled in close contiguity, the greedy, or the strong, or the unscrupulous invaded what others claimed as rights; hence, quarrelling and violence were of frequent occurrence.

To afford personal protection and to secure the maintenance of order was the undoubted duty of the Government, and it was properly held to be right that the people to be benefited should pay for that protection. As a step towards such provision it became necessary to warn those who, so far, had been encouraged, and even stimulated by promise of reward, to make the discovery, that they were under a delusion in supposing they had a legal right to keep what they found. On the 15th of August, therefore, a

formal proclamation was issued by Mr. Latrobe, declaring that all gold, whether found on private or Crown lands, belonged to Her Majesty, and any one disturbing the soil in search for such gold, without having been so authorised by the Government, would be prosecuted, criminally and civilly. Three days later regulations for the issue of licences to dig were published, identical in all respects with those gazetted in New South Wales in the preceding May. The fee was fixed at 30s. per month, subject to future adjustment; the area of ground to be regulated by Commissioners who might be appointed to each locality to make local rules and adjust the boundaries of claims. No licence was to be issued for mining on private property, except to the owner of the freehold, or his nominee. When the first Legislative Council met in November, these preliminary arrangements were embodied in a measure submitted to it, and became law on the 6th of January, 1852, as "An Act to restrain by summary proceedings unauthorised mining on waste lands of the Crown".

It was under the provisions of this Act, and an erroneous idea of the powers it gave, that the antagonism between the miners and the goldfield authorities became so acute. It remained in force until September, 1853, when in panic fear of impending rebellion the Council hurriedly passed a temporary amending Act, largely reducing the licence fee. A brief examination of the original measure will indicate how far its provisions were responsible for the troubles which brought the colony to the verge of anarchy, and aroused a widespread feeling of resentment and bitterness.

As compared with later mining legislation it has the merit of brevity, containing only ten clauses. It enacts that any one mining or digging upon the "Waste lands of the Crown," without having previously obtained from the Lieutenant-Governor, or from "some person by him in that behalf authorised, a licence or authority in writing," shall forfeit a sum not exceeding £5, £15 or £30 for the first, second and third offences respectively, with imprisonment in default for one, two or six months. The fifth clause provided for the arrest of an offender against the Act by any "Commissioner, Inspector, Constable, or other person specially appointed," whose duty it was to bring him before two or more Justices of the

Peace to be dealt with. The seventh clause appropriated one-half of the penalties recovered to the use of the informer, or party prosecuting; and the eighth, after defining the words "mining and digging," wound up thus: "Nothing in this Act contained shall be construed to extend to any preliminary search or inquiry for the purpose merely of *discovering* any ore or minerals in any particular locality or part of such waste lands". There can be no doubt that the common-sense interpretation of this clause would have allowed every unsuccessful prospector to evade the fee, and some intention of that kind must have influenced the drafting of the measure. The police, however, would not regard it in that light, and it was vain to plead that the licenceless one was only an investigator. Every able-bodied man on the goldfields, not in the service of the Crown, or licensed for some form of business, was supposed to be a miner in *esse* or in *posse*. Undoubted evidence proved that many respectable men were subjected to the indignity of arrest, with the too frequent accompaniment of violence and abusive language, and in some cases, when brought before the Justices, were illegally fined or imprisoned for not having a licence, when by no stretch of imagination could the Act be made to apply to them. There can be little doubt that many of these arrests were made by the police under the stimulant of getting half the fine, an arrangement which was condemned by more than one of the Commissioners as decidedly demoralising. So greedy were the troopers of these irregular gains, that when a recalcitrant digger could not be convicted on the charge for which he was arrested, it was altered to resisting the police in the execution of their duty, and the fine was exacted all the same. The evidence of reliable men and the contemporary press is overwhelming that the rank and file of the police on the goldfields in 1852-53 were venal in the extreme, and where they were not bought off, their hunting duties were carried on with a vindictive spitefulness that justified any organised opposition. Mr. C. Rudston Read, one of the Assistant Commissioners at Mount Alexander, published his opinion that the hatred of the miner for the police was mainly due to "their overbearing conduct; many having been accustomed to a system of convict discipline, it was not in their nature to perform their duty quietly without bouncing, bullying and swear-

ing at every one; to ask a man quietly whether he had a licence was quite out of the question, it must be accompanied by some low-life expression, making, of course, respectable men extremely indignant, and if they remonstrated they would handcuff them, and swear they resisted them in the execution of their duty".

This emphatic indictment is not the statement of an aggrieved digger, or an excited newspaper scribe, but of a man who had to do much of his work with such a discreditable force of assistants, and who made himself unpopular by his efforts to check them.

At first the Crown Lands Commissioners for the several districts were assumed to be able to carry out the provisions of the new Mining Act; but when a man whose administrative duties had hitherto been limited to dealing with a couple of hundred law-abiding squatters found himself called upon to supervise, with the assistance of half a dozen policemen, the proceedings of from two to ten thousand diggers, all strangers, and most of them regarding his work with hostility, he had soon to admit that he was overtasked. The feebleness of the administration, which arose out of the decimated condition of the Civil Service, enabled large numbers of miners to evade the payment of the fee, and as fast as fresh Commissioners' camps were formed, all but the very successful diggers moved back into the ranges, toiling stealthily in unexplored gullies. If they were lucky, well and good, they would register to ensure their rights. If they were unsuccessful, they could not be made to see that they had wronged any one. But however mistaken in its inception, the law had to be upheld until repealed or amended. The Government was not slow to see that the number of licences taken out very inadequately represented the number of diggers known to be on the field. So a batch of Assistant Commissioners was appointed to aid the seasoned old officers in getting in revenue, in bringing offences home to the evildoers, and in upholding the majesty of the law.

It is to be feared that the last of these duties had too much influence with them. For the most part they were young, and all were inexperienced in the particular work required of them. With no special qualifications for the post, they had to act judicially, and to decide, without the aid of juries or assessors, disputes

respecting boundaries, priority, trespass and other points, often involving the whole fortunes of individuals, and their decision was final. Indeed, even protest was practically prohibited, for resisting the decision of a Commissioner was punishable by a fine of £10, or, in default, three months. The spirit of absolutism which such powers engendered was bad training for young men. A few of them stood up well under it, and lived into more tranquil epochs as valued servants of the Crown in magisterial office. The majority, however, developed an overbearing attitude towards the miners, and some certainly took a strange delight in harassing them by frequent demands for the production of licences in a manner that was quite illegal. The Act authorised the arrest of any person who should be found offending against any of its provisions, but the only common-sense construction of that would be mining without having obtained a licence. Over and over again men were arrested, imprisoned and fined for not having their licence available when demanded, though a reference to the register could have proved their compliance with the law. Some of the Commissioners, and most of the police, cultivated a belief that all diggers were liars, and they persistently refused them the common law right of establishing their innocence.

It was in June, 1852, that Mr. Latrobe, after personally visiting the principal goldfields, made a vigorous effort to bring their control under suitable organisation. He appointed Mr. W. H. Wright to the newly created office of Chief Commissioner of the Goldfields, to be resident in Melbourne, and to administer the law through three or four Resident Commissioners at important centres, and about a dozen peripatetic Assistant Commissioners. At the same time, to strengthen their hands, he also appointed three Resident Police Magistrates, to Castlemaine, Bendigo and Ballaarat respectively.

Although Mr. Latrobe had steadily advised his chief in Downing Street that, in view of all the surroundings, the conduct of the great majority of the miners was deserving of all praise, and that life on the goldfields was far more orderly than the precedent of California might have led him to expect, he had occasionally to admit the existence of a considerable amount of turbulence. His legislative

efforts in the cause of temperance, by absolute prohibition in the mining areas, were fruitful of much rioting. The attempted enforcement of sobriety, by cutting off all legitimate supplies of liquor, was no doubt a mistake. Men engaged in an exhausting occupation, working under strained conditions, and frequently in a vitiated atmosphere, craved at times something more refreshing than a stinted supply of the unwholesome water obtainable, and if they had the means to pay for it, they resented the domination which constrained them. The drunkard was not saved from the results of his excess, but the moderate man was penalised by having to pay four or five times the value of his stimulant, and to realise that for his slight indulgence he was ranking himself unwillingly with the lawbreakers. Like all legislation that runs to excess, the prohibition worked its own cure by the evils it created. Notwithstanding the severe penalties incurred, the inevitable burning of the suspected premises and contents, and the repeated confiscations of all liquor and plant discovered, the illegitimate profits were so enormous compared with honest gains that all the ostensible efforts of the police seemed to make but little impression on the business. This fact was notorious, and the belief was very general that a reasonable share of the large profits found their way into the pockets of the police, thereby obscuring their vision of surrounding events. Such opinions led to the action of the authorities being resisted and derided, and tumult was of frequent occurrence in all directions. In one case the police, acting upon the statement of a perjured informer, illegally burned down a large store with its contents, and some adjoining tenements, for which the owner, able to prove his innocence of "sly grog selling," claimed £1,900 for damages. So much excitement was caused by this at Bendigo that Mr. Latrobe sent up his Chief Commissioner to inquire into it. Mr. Wright, finding that there was no defence, prided himself on compromising the claim for £350. Unfortunately, the admission of error, coupled with the higgling over the recompense, tended to inflame the existing feud between the miners and the police to such an extent that it became almost impossible to enforce the law. Eventually the Government capitulated and adopted the common-sense practice of authorising a limited number of licensed premises under stringent conditions of

good conduct and proper accommodation. A class was thus created having a direct pecuniary interest in suppressing the unlicensed vendor, and gradually the police were relieved of a large portion of one of their most irksome and unpopular duties.

But other troubles were pending. The Lieutenant-Governor had more than once expressed the opinion in his despatches that the licence fee was far from being a satisfactory method of providing the expenses of goldfield management, and could only be regarded as a temporary measure. In September, 1852, he had directed the introduction of a Bill in the Council authorising an export duty on gold, but it had not been passed. On the 12th of September, 1853, he wrote to the Duke of Newcastle deploring the fact that, owing to serious and unexpected difficulties having suddenly developed at Bendigo, the hope he had entertained of seeing the colony well through all the troubles of its unprecedented crisis before handing over the reins to his successor was not destined to be realised. The discontent arising out of the exaction of the licence fee had been steadily growing. It had been admitted from the outset that it was a system which could only be enforced so long as public opinion conceded its necessity or expedience. The grounds of opposition were variously stated: its excessive rate, as compared with the impost on the squatter; the inequality of its incidence, the man getting his 500 oz. per week paying the same as the luckless miner who had sunk all his worldly possessions in a claim that did not give him a dinner; the great loss of time incurred by the tedious delays in obtaining the licence every month, and the interference with work in being so often called upon to produce it; its collection and inspection being often made with blustering arrogance, and practically at the point of the bayonet; and, finally, the denial of political and social rights to the class that contributed nearly one-half of the ordinary revenue of the colony. The mutterings grew into growls. Meetings in all the important centres were held to protest. Plenty of agitators were forthcoming, and all sorts of impossible schemes of union were discussed, having for their object resistance to the Government regulations and the circumventing of the officials.

The largest mining population was at this date concentrated at Bendigo, and the activity of the aggrieved workers received

a stimulus in the rumour that the Legislative Council of New South Wales had proposed the total abolition of the obnoxious licence fee. The assumption was premature, as the Council had only referred the matter to a Select Committee to inquire and report, but it strengthened the local opposition, and won over recruits from the successful and unsuccessful alike. They did not trouble about the effect which the abrupt cessation of a revenue of £700,000 a year might have on the administration; they looked at it from the nearer standpoint of £18 a year in their own pockets. After many noisy gatherings and much heated discussion, the extreme demand for total abolition of the fee was abandoned, and forces were united to make a determined stand for its reduction to 10s. per month.

At a meeting of some 2,000 miners at Bendigo a petition was adopted to the Lieutenant-Governor to which over 5,000 signatures were obtained, and a delegation was appointed to present it in person, which was done on the 1st of August. The petition, after reciting in detail the many grievances under which the diggers laboured, prayed for a reduction of the fee to 10s. per month, with the option of paying quarterly, if desired, and an allowance of fifteen days to new arrivals on any field before enforcing the fee. It also strongly urged the immediate cessation of the employment of an armed force to collect the tax, and wound up by reminding the Lieutenant-Governor that they were reduced to *petition for* their rights, because they were the only class unrepresented in the Legislature, though they contributed by direct taxation something like a million of money towards the support of the State. Mr. Latrobe, as was his wont, received the deputation with courtesy; he informed them that he had no power to set aside an Act of the Legislature without the consent of that body, but he promised to take every point urged by the delegates into full and immediate consideration. The delegates were not satisfied, and having the support of the *Argus* (just then especially vehement in its denunciations of Latrobe as "faithless and incapable"), a public meeting was convened in Melbourne by the Mayor to secure a metropolitan backing for the miners' cause. Formal resolutions were passed declaring that the trouble on the gold-

fields was due to the miners being denied their political rights, and pledging the meeting to assist in reducing the licence tax. When the delegates got back to Bendigo further meetings were held, at which it was resolved that 10s. should be tendered as the licence fee for September; if it was refused, they would take the consequence; and, to ensure unanimity, every tent was to bear a placard, "No licence taken here". These resolutions were carried into effect. On the 27th of August a deputation of about thirty miners attended at the Camp, and tendered the 10s. fee, which was, of course, formally rejected.

While this ferment was working Mr. Latrobe had not been entirely inactive. First of all, he sent the Chief Commissioner of the Goldfields, and also the Chief Commissioner of Police, to Bendigo to investigate complaints, and he made provision for possible conflict by sending eighty men of the 40th Regiment, which brought up the force on the field to 154 soldiers and 171 police. Directly after the formal tender of the 10s. fee Mr. Commissioner Wright, after consultation with the Chief Commissioner of Police, wrote to the Lieutenant-Governor: "We are compelled to report that the reduction of the licence fee, if not its abolition altogether, is inevitable". Before surrendering, Mr. Latrobe exhausted his powers of coercion, and on the 1st of September he sent up the remainder of the 40th Regiment, 145 men, and despatched an urgent appeal to the Governor of Van Diemen's Land for the service of any troops that could be spared thence. But the attitude of the diggers was not openly combative. Possibly the red-coat display gave them pause in initiating fighting, and certainly a substantial majority believed in gaining their ends by negotiation. Their passive resistance was a form of contest the military could not meet. They would not pay more than 10s. for a licence, and they would accept the result of their contumacy. Hundreds of the tents were decorated with the placard that invited arrest, and any traitor to his order who should be detected paying the 30s. fee was to be warned to quit the district within twenty-four hours! No wonder that Commissioner Wright felt himself powerless, and recommended a capitulation as inevitable. The most violent denouncers of the vacillation of the Government could not suggest

any means by which 10,000 or 12,000 men could be taken into custody, and maintained there at the public expense, until purged of their contempt.

Mr. Wright's despatch reached the Lieutenant-Governor on the 29th of August. The Legislative Council was to meet next day, but the matter seemed so urgent that after a hurried consultation the Executive decided to inform the miners, by means of a circular to the Commissioners, that it was intended at once to submit to the Legislature a proposal for another method of raising revenue in lieu of the unpopular tax; and as the matter would be dealt with immediately, the officials were "instructed to adopt no compulsory measures for the enforcement for the month of September of the licence fee". But the circular went on to say that, until the result of legislative deliberation was known, the Governor had no power to release the miners from the obligation of paying the fee prescribed by law. Unfortunately, in transcribing these instructions, the last clause was omitted in the copy sent to Bendigo. The shorter form in which the announcement was made, and the distinct prohibition of a resort to force, were hailed by the diggers as a triumph, and when a few days later Mr. Wright was directed to qualify the notice, he hastened down to Melbourne in alarm to expostulate. A mild invitation to pay the licence fee after what had passed was ludicrous. He could not, consistently with the pledge he had felt his instructions justified him in giving, now resort to compulsion. Even if he did, he had no power to make the compulsion effective, and no military force that could be raised in Australia would give that power. In this deadlock it only remained to fall back on the Legislative Council. Immediately on its meeting a special committee was appointed, of which Chief Secretary Foster was chairman, to inquire into and report upon the condition of the goldfields. As its sittings were to involve the examination of a large number of witnesses, and would probably extend over months, it brought up an interim report in the course of a week, on which a temporary amending Act was passed, on the 14th of September, reducing the licence fee to 30s. for the three final months of the year. The miners were jubilant, and peace reigned once more temporarily.

It was the middle of November before the committee brought up its final report. It upheld the principle of the licence fee, and opposed an export duty on gold. It recognised that the amount of the fee pressed heavily on the unsuccessful, and recommended its reduction to £1, £2, £3 and £5, for one, three, six and twelve months respectively. It expressed a strong opinion that the discontent of the miners was largely due to the inflammatory articles in a portion of the public press, which led them to believe they were the victims of Government rapacity. The report also condemned the prohibition system in the matter of spirits as a fertile source of irritation and crime, and recommended that the same facilities for their legal sale should be made on the goldfields as elsewhere.

Upon this report was based the mining statute entitled "An Act for the better management of the Goldfields of Victoria," which was assented to on the 1st of December, 1853. It stopped short of the full reduction recommended by the committee, and fixed £1, £2, £4 and £8 as the cost of a licence, for one, three, six and twelve months respectively. Unfortunately, the admitted evils of the mode of collection were left unremedied, and under a harsher disciplinarian the digger hunting was continued in a manner that was fruitful in angry collisions, and engendered much discontent and bitterness. The concession in the amount of the payment certainly worked some amelioration, but the constant efforts of the unsuccessful diggers to evade the fee evoked active sympathy, and demoralised the mining population.

When Sir Charles Hotham arrived, and began his visitations to the goldfields, the diggers thought, from his rather florid talk about the rights of the people, that they had at length got an advocate who would support their claims. It would be difficult to adduce anything from his speeches that justified this expectation, and when he had settled down in the gubernatorial chair, and mastered the complicated question of the State finances, he promptly realised that the payments prescribed by law did not bring in anything like the amount represented by the number of workers. With a large deficit in full view he could not, if he had been willing, afford to trifle with so important a source of revenue. But he was not willing; and already in his short experience he had imbibed the foolish idea that

the substitution of an export duty on gold would so facilitate smuggling as to largely discount any estimated revenue from that source. Accustomed as he had been on board ship to unquestioning obedience to orders, he would not tolerate any attempt to evade the law. Notwithstanding the somewhat radical tenor of his speeches during his banquets at the diggings, he had been fairly firm in his official replies to deputations sent to him to enlarge upon the hardships of the licence fee. He was rather proud to inform Earl Grey that when, at one of these interviews, he told the miners that they must be prepared to pay for liberty and order he "was loudly cheered".

There is evidence in Sir Charles Hotham's despatches that his views underwent considerable modification during his troubled term of office. In the last one which he addressed to the Colonial Office on the subject of the goldfields, written within a month of his death, he was enabled to express himself freely, because the old system had just been superseded by fresh legislation, the struggle was over, and contentment reigned.

While trouble was pending and the law was being defied he was adamant, and dealt with the enemies of order as he would have done with a foreign foe in the hour of battle, allowing no excuse, admitting no provocation. But after the strife was over, he could not but confess that the licence fee had become oppressive, and was paid with irritation and anger, or, he wrote, "If not paid the digger was cast into prison to keep company with felons and rogues". Further, he avowed that the evil had been greatly intensified by the conduct of the Government officials on the goldfields. Their style of living, luxurious habits, smart uniforms, military customs, and stilted dignity, "invited hostile criticism and enmity, by the apparent pains taken to separate them from the diggers" and maintain their superiority as a class. If in November, 1854, he held opinions which he thus expressed a year later, neither his words nor his deeds gave any ground for suspecting it. He had found these things so, and as a new-comer he had hesitated to rush in with reforms, he said, until he had fully considered all the local surroundings. Hence he craved indulgence for having allowed four months to roll by without interference, only insisting that the existing laws should be enforced. The four months to which he referred brought him to

November, 1854. Since the patched-up truce which resulted from the concessions made to the Bendigo miners in September, 1853, the peace had not been disturbed, though on many of the fields very strained relations still existed.

In the meantime, the population engaged in mining had increased enormously. Towards the close of 1854 the returns gave 70,000 men so employed. Four years later this number had quite doubled, but the great majority were then workers on wages for companies or associations. In the earlier period nearly all of them were toiling for their own benefit, and stimulated by the hope of great personal gain. Hence they were of a more independent character, more resolute in action, and more tenacious of their rights. Towns of commercial importance and social activity, like Ballaarat, Castlemaine, Bendigo, Maryborough, and a number of smaller centres, had sprung into existence, enabling many of the miners to locate their families, and to exchange their nomad existence for some approach to domestic comfort. The concentration had other results. It brought men together after their day's work, and led them to talk over their individual interests and their associated grievances. It stimulated the growing idea that as a class the miners were entitled to a full share in the political power then monopolised by a mere handful of electors. Further, they resented the difficulties placed in their way, when successful in mining, in investing their gain in a share of the fertile soil, where they might make a permanent home for their families, and rest from the exacting toil which had been their stepping-stone to fortune. In these legitimate aspirations they were very properly supported by nearly the whole press of the colony, for its journals could now be counted by the score. Not always, however, was this done with the best taste, or with tactics likely to secure the desired end. Several of the papers used the cause of the diggers chiefly as a vehicle for deriding the Legislature and belittling the Lieutenant-Governor and his Executive.

The contempt for authority, so persistently preached, the incessant suggestion to the miner that he must assert himself if he would not always remain the easy prey of officialism, wrought disastrous results, and over a wide area spread a rankling sense of injustice. There were plenty of professional agitators in all

the centres of population, glib, plausible fellows, with whom the tongue was mightier than the pick, whose labours had not been crowned with success, and to whom any drastic changes might bring the chance of power. They were quick to see that an inflammatory condition of feeling was spreading abroad, which at any suitable moment could be fanned into a blaze that would not easily be extinguished. The culminating trouble to which these conditions led up began to oppress Sir Charles Hotham early in October, 1854. Though he surmounted the greatest of the perils threatened, he found himself, six months later, with his ideals defeated, his temper soured, his spirit broken, and carrying a reputation for obstinacy that alienated alike his Executive and the main body of the colonists. The story of the bloodshed at Ballaarat, the only instance in the placid annals of Victoria of the clash of arms in which disciplined troops took part, must be told in another chapter. It is worth some detail, not only because it represents the culmination of the years of disorganisation in Government control, but also because the treatment of the episode, in published accounts, has been generally coloured by partisan statements, alike by the champions of authority and the defenders of the diggers.

CHAPTER II.

THE REVOLT OF THE DIGGERS.

It was in August, 1851, that the sylvan solitudes of Ballaarat were first invaded by the advance guard of the army of gold-seekers. Within twelve months the indications of permanence were so manifest that the Government caused a township to be surveyed, and the first sale of allotments was held in Geelong on 24th August, 1852. The prices realised were very high, and a further sale took place in November, at which the competition was even keener. But most of the buyers were town speculators, and it was far into 1853 before the local residents began to erect anything but the most flimsy structures, for the cost was prohibitory, the freight of material from Geelong being £80 per ton. The Camp of the Government officials was mainly of canvas, surrounded by rough palisades. The Court-house was of solid square timber flanked by a few ponderous-looking log huts for military stores and for prisoners, of whom there seemed to be a perennial supply under restraint.

By the winter of 1854, however, the town had begun to take on shape. There were branches of three important banks, doing a large and profitable business in very makeshift premises; fully a dozen licensed hotels; a number of substantial stores, and a few scattered weather-board private residences. The affairs of the inhabitants, now some 20,000 in number, were discussed by a local journal, the *Ballaarat Times*, of which a notorious firebrand, named Seekamp, was editor, and though there was only one regular place of worship, there were two theatres and four or five music halls in the main street. But perhaps of greater importance than the transfer from canvas to brick and stone was the amelioration of the social conditions, resulting from the increasing number of

women and children who had followed the breadwinner to the scene of his labour. Sir Charles Hotham had declared that it was through their influence that the restless population could be best restrained, and said that he would rather see an army of ten thousand women on the goldfields than an equal number of soldiers.

The mining population of the Ballaarat district at this period may be taken as a fair sample of the 70,000 men employed in similar work throughout the colony. It is very evident from official despatches and reports that the Executive of the day were, even after three years' experience, widely mistaken in their estimate of the diggers as a class. Possibly biassed by the reports of Vigilance Committees and Lynch Law in California, they were inclined to regard them as desperate adventurers, given over to wild debauchery in the hour of their success, and to lawless violence and pillage in the days of their failure. There were, of course, besotted loafers and crime-stained scoundrels in a crowd so quickly lured from all parts of the world by the magnetic lust of gold. But the main body of these hardy adventurers consisted of a very different class, and included many of the pioneers of the best in colonial democracy. They represented the denizens of many lands, and the followers of many occupations. Besides the mingled tides that had flowed in from other countries Great Britain had sent forth thousands of stalwart artisans, agriculturists, factory hands, seamen, and some practical miners from Northumberland and Cornwall. In every hundred of these expatriated Britons would be found two or three men gathered from another social plane—junior cadets of noble families; graduates of the historic universities; barristers, of whom more than one have actually exchanged their digger's costume for the ermine-trimmed robe of the Bench; army officers who had been decorated in the Queen's service, and scores of pensioners who had fought under her flag. A thousand of such men, or even half the number, scattered amidst the swirling crowd, gave form and resolution to their daily action. As a rule, the wild orgies of drunkenness, by which the authorities judged the mass, were confined to a few disreputable public-houses, where, if by chance an incautious miner got entangled, he was hocussed and robbed, and sometimes murdered. For the rest, the

mass of the real workers were stalwart and industrious, honest and clean-living; strict in upholding justice among themselves, and ready to band together to put down lawlessness and turbulence.

The official view of the miner as a dangerous creature to be kept down at any cost must have been intensely irritating to men of this calibre. When it became known that Sir Charles Hotham, the man whose carriage they had so recently dragged in triumph, with uproarious cheers, had actually sent up orders that the police should redouble their activity, and specially devote two days a week to hunting unlicensed diggers, the sense of the outrage by which this sport was always accompanied alienated many of the most loyal friends of order. The Ballaarat goldfield was divided between four Commissioners, but the boundaries of their jurisdiction were ill-defined, and as each Commissioner employed a separate band of licence-hunters, it sometimes happened that diggers pursuing their lawful avocation were called up from their work twice or even three times in one day. When it is remembered that many of the shafts were down from 100 to 150 feet in depth, and that the miner, even though he had shown his licence an hour before, dared not disobey a peremptory order to come up without the risk of being marched off to the logs for resisting the police, it is easy to imagine the simmering wrath which the orders for renewed activity in this hateful mode of collection aroused. Indeed, it is a marvel that an outburst of violent resistance was so long deferred. The real miner had much at stake, and by habit and tradition he was law-abiding. Some petitions were addressed to the Governor, but they were unheeded. Meetings were held at which deputations were appointed to wait on him, but he refused to see them. An accidental collision with the police caused the smouldering wrath to burst into a flame.

One of the most disreputable hostelries, that had commanded a roaring trade amongst the hard-drinking section of the field, was the Eureka Hotel on Specimen Hill, kept by James Bentley, an ex-convict from Van Diemen's Land. It was a large, ramshackle building of weather-board, and with the stock-in-trade was valued by the owner, in a claim which he brought unsuccessfully against the Government, at £29,750. If this represented anything like

the cost, it is a pertinent illustration of the rapidity with which publicans made fortunes in those days, for Bentley arrived penniless on the diggings in 1852. Before he had been six months in the Eureka it had earned a very bad reputation. Probably from old association he seemed to attract to his bar the most dangerous scum of the population. He always had at his call a number of rowdies and bullies, to whom deeds of violence were as their daily bread. If by chance a drunken digger, lured by the open gambling or the boisterous games of the skittle-alley, wandered into these quarters with any gold-dust in his belt, he generally lost it before he had been long under Bentley's roof. If he made a disturbance, there were plenty of willing hands to throw him out, if need be to throw him into the creek, or down an abandoned shaft. Nightly orgies were held that should have been suppressed by the police, but the ruffianly landlord was known to be on terms of intimacy with the Resident Police Magistrate, one Dewes, a venal official, who was believed to have a share in his disreputable gains, so no notice was taken of the lawless tumults. On the night of the 6th of October a digger, named James Scobie, who was endeavouring to obtain admission after the house was ostensibly closed, had his skull split by a blow from a shovel during an altercation at the door. In the confusion of a general scuffle there was no certainty as to who struck the fatal blow, but circumstantial evidence and the positive statement of two witnesses implicated Bentley. At the inquest next day Bentley was allowed to be present, unmolested, but the popular indignation was so strong that the police were compelled to take out a warrant for his arrest. They were so considerate as to send a special messenger to his hotel to inform him that it would be put in force next morning. He was spared the indignity of the lock-up, and released on bail. Two days later he was brought before the Police Magistrate Dewes, and Messrs. Rede and Johnston, Goldfields Commissioners, and notwithstanding the weight of evidence adduced he was promptly acquitted by a majority of the Bench. Anger and indignation surged through the miners' tents when they learned this strong confirmation of the general belief in the venality of Dewes. A hurried meeting was called by placards for the 17th

instant, at which a committee was appointed to demand a further prosecution of Bentley, and to offer a reward for the conviction of the murderer. It was orderly enough at the outset, but while it was proceeding the Camp officials injudiciously sent a detachment of police ostensibly to guard the hotel property. The rumour went abroad that the troopers were using force to disperse the meeting, and within half an hour an angry mob of 8,000 or 10,000 men was swaying to and fro, jeering the police and deriding the orders to disperse. According to Commissioner Rede's subsequent evidence, the police could not use force against the crowd, because the venerable magistrate who had been deputed to read the Riot Act lost his nerve and could not do it, so they stood hesitatingly around, while the diggers demanded that Bentley should be given up to them. Suddenly a few stones were thrown from the crowd, a lamp was smashed, and a few windows broken. The incident was responded to like a bugle-call to "charge". The mob swept aside the handful of police and fell upon the building like furies, crashing in doors and windows, and throwing the furniture and the contents of the bar into the street. A man, carrying an armful of paper to the windward end of the bowling-alley, deliberately struck a match and fired the building under the eyes of the guardian of the peace.

Meanwhile Bentley, in agonising dread of being overtaken by Judge Lynch, succeeded in getting to the stables undetected, and mounting his fleetest horse, rode wildly off to the Camp, where he implored protection for himself and assistance for the police. A squad of military was soon ranged up, and advancing at the double with fixed bayonets were only just in time to see the roof fall in, and the disreputable Eureka a mass of smouldering ruins. The fire occurred on the 17th of October, and on the 19th a brief account of it appeared in the *Argus*. Sir Charles Hotham was furious, not only at the threatening attitude of the diggers, but equally at what he called "the indecision and oscillation of the authorities in allowing the riot to get head". He promptly sent up an officer, in whom he had confidence, with a detachment of military to enforce order, to support the civil authorities in the arrest of the ringleaders, and "to use force whenever legally called upon to do so, without regard to the consequences which

might ensue". Under these comprehensive powers the police set about searching for some prominent figures amongst the incendiaries, and in a few days they had arrested three men, named McIntyre, Fletcher and Westerby. Many persons came forward to declare that McIntyre made himself conspicuous by his effort, to dissuade the mob from violence, and another contingent averred that Fletcher was not present at the fire at all. A meeting was readily convened, at which the perjured testimony of the police was lavishly denounced, and one or two irrepressibles urged a general attack on the Camp to release the unfortunate trio. Finally, a committee was appointed to wait on the Camp officials and tender bail for the release of the prisoners. The request was at first refused, but the refusal was taken in such bad part by the angry throng surging around the Camp gates that discretion tempered zeal, and though the Commissioner fixed the amount of bail at £2,000, the volunteer bondsmen were promptly accepted without inquiry. The result of the subsequent magisterial inquiry was the committal of the three accused men to take their trial in Melbourne on the 20th of November.

Before the trial came off, however, Sir Charles Hotham, much perturbed by the current stories of official venality and the prevalence of bribery in the public service, determined upon an inquiry by a special Board, consisting of two Metropolitan Police Magistrates and the Chief Medical Officer of the colony. In advising Earl Grey of this somewhat unusual proceeding, Sir Charles said he felt it imperative "to investigate the charges, which poured in from all quarters, of general corruption on the part of the authorities of the Ballaarat goldfield". The Board met at Ballaarat on the 2nd of November, and took the evidence of a number of miners and other residents. Their report, submitted a few days later, confirmed many of the rumours which had disturbed the Governor. Its conclusions involved the dismissal of Dewes, the Police Magistrate, and the senior sergeant of police at the Camp, and other drastic changes. The rearrest of Bentley, together with his wife and two male accomplices, on a charge of murder followed, and they were held for trial at the same sessions to which the alleged incendiaries had been committed. Bentley and his male associates were con-

victed of the manslaughter of Scobie, and sentenced to three years on the roads.

So far the result was hailed by the diggers as a full justification of their riotous proceedings; but when, a few days later, the news reached Ballaarat that McIntyre, Fletcher and Westerby had been found guilty and sentenced to terms of imprisonment, they were quick to see the injustice of inflicting a punishment on three men, practically taken at random, for an offence in respect of which quite 500 were equally guilty. Their indignation was to some extent justified by the rider which the jury appended to their verdict, "that they would never have had their painful duty to perform if those Government officials at Ballaarat had done theirs properly". The ever-growing hostility between the police and the diggers strongly impressed the latter with the necessity for some form of organisation, if they hoped to make their protests felt. Hence, on the 11th of November a meeting of some 3,000 miners was held on Bakery Hill, where enthusiasm was stimulated by much frothy oratory and selections of martial music. Actually the multitude had been attracted by the stormy incidents arising out of the burning of the Eureka Hotel, but the leaders amongst them saw a means of bringing pressure to bear on the authorities to remedy their grievances without having to resort to arms. Therefore, they devised a combination of aggressive and defensive tactics, which they christened "The Ballaarat Reform League," and which the *Ballaarat Times*, in a leader of hysterical jubilation, hailed as "the germ of Australian Independence".

In addition to certain local demands connected with the Bentley affair, the League proceeded to formulate a political creed, of which the chief articles were:—

The right of all the people to Parliamentary representation.

Manhood suffrage.

No property qualification for candidates.

Payment of members.

Short duration of Parliaments.

Immediate abolition of diggers' and storekeepers' licences.

Thus, what had hitherto been a personal matter, rankling in individuals with a sense of tyranny and injustice, was at this meeting

solidified into an important political movement, destined to make its weight felt by the Government, and eventually to carry nearly every point contended for.

It was one of the popular fallacies at headquarters, and an often-expressed belief of Sir Charles Hotham, that the disturbances at Ballaarat did not arise out of the licence-hunting. More than once the Governor had declared that "the masses were urged on by designing men, who had ulterior views, and hoped to profit by anarchy, . . . active, designing, intriguing foreigners, whose aim is disorder and confusion". The Governor's contemptuous generalisation was hardly warranted, for the foreign element was never preponderant. There were in all some fifteen men who, during the final months of 1854, came into prominence by their speech or acts, but the men who moulded the business and mainly took the responsibility covered five nationalities. They were J. B. Humffray, a Welshman, Peter Lalor, an Irishman, George Black, an Englishman, Frederic Vern, a Hanoverian, and Carboni Raffaello, an Italian. These actors were so prominent in the ensuing drama that they deserve a brief personal notice:—

Humffray, who was appointed the first Secretary of the League, was a man of fair education and sound principles. His colleagues, while admitting his value as a negotiator, rather chafed under his laudation of constitutional remedies for their wrongs, and some of them, who were eager for conflict, were inclined to accuse him of being far too friendly with their gold-laced antagonists.

Lalor was the son of a member of the British House of Commons; by profession a civil engineer, but then, in his twenty-seventh year, working as a miner. He had not the fluent tongue of Humffray, but like him he was of an active temperament, and physically a fine, burly specimen of vigorous manhood.

Black was the editor of the *Diggers' Advocate*, a paper honestly devoted to the amelioration of the miners' grievances, and remarkably free from the scurrility which marked the other local journal. Indeed, while the diggers recognised him as their friend and champion, they were inclined to the belief that he preached rather too much, and pitched his ideas of duty on too high a plane. Though he shared in the distinction of having a price put on his head by

Government proclamation, no overt act of violence or any incitement thereto could be brought home to him.

Vern was undoubtedly an epitome of swaggering, egotistical braggadocio, a vain, posturing creature, who gave just a touch of comedy to the otherwise serious drama into which he intruded himself. He was a tall, good-looking, voluble fellow, always boasting of his influence with a certain German legion, that apparently "never was listed," and when the real fighting began he managed to save his own skin.

Raffaello, the man whom Hotham probably had in his mind's eye when he dilated upon intriguing foreigners, was an extraordinary character. Born in Rome, and by profession a teacher of languages, he professed to have fled to Australia to put 16,000 miles between him and his hated Austrian oppressors. Whether he had ever fought in the cause of Italian liberty is doubtful. Marcus Clarke speaks of him as the novelist's ideal of the sinister Italian conspirator, who wrote, harangued, jeered and wept by turns. But whatever his intellectual capacity may have been for that dramatic rôle, his outward appearance had nothing of the picturesque. He was forty years of age, short and squat in figure, with red hair and small, keen, restless eyes. He was rather suspicious of some of his colleagues, but a devoted adherent and blind admirer of Peter Lalor.

These men of such varying characteristics represented the motive power of the nascent Ballaarat Reform League, and to them the diggers in their wrath turned for advice and guidance. Certain recent proceedings in the Camp, which had called forth strong denunciations of the police methods by Mr. Sturt, the Resident Magistrate, strengthened the conviction that the three reputed incendiaries were the victims of perjured testimony by the troopers, who were the only witnesses called by the Crown. At a meeting called to decide what steps should be taken in protest against the sentence on McIntyre and his companions the oratory grew warm. It was declared that the time for petition, for pleading, nay, even for protest, had gone by. They believed that gross injustice had been done, and they would insist on its rectification, not as a concession, but as an inherent right. It was decided therefore to send a deputation to Melbourne to wait on the Governor, and to *demand* the release of the prisoners.

J. B. Humffray, the Secretary of the League, was already in Melbourne in connection with the trial; to him were despatched Messrs. Black and Kennedy, armed with the resolutions of the meeting, and with instructions to bring the prisoners back with them.

They arrived in Melbourne on the 25th of November, and as soon as the Governor got a hint of their mission he inferred trouble. Before according them a reception, he made arrangements for the transit to Ballaarat on the following day of eighty men of the 12th Regiment under Captain Atkinson, and fifty of the 40th Regiment under Captain Wise. Later on he directed that they should be accompanied by all the mounted police that could be spared, and two pieces of artillery.

On the morning of the 27th of November the Governor, having cleared the decks for action, supported by Mr. Stawell, the Attorney-General, and Mr. Foster, the unpopular head of the Cabinet, received the deputation. The delegates did not shirk their instructions, and the word "demand" jarred upon the sensitiveness of the quarter-deck martinet. He said, as the representative of Her Majesty, he could not allow the word to be used, but a properly worded memorial on behalf of the prisoners would receive every consideration. Mr. Humffray, who showed great moderation and tact, would fain have embraced this suggestion, but Mr. Black was emphatic that they had no power to vary the instructions given to them so explicitly by the meeting. The demand was consequently refused, though the delegates were told that important reforms in the management of the goldfields were even then under consideration, and would soon be promulgated. As a parting shot Kennedy implored the Governor to allow the men to return with them as the only means of avoiding bloodshed. This covert threat roused His Excellency to say that, whatever the consequences, he could not be a party to the destruction of the authority of the Government, or lightly set aside the most important principle of the British Constitution, the verdict of a jury.

Meanwhile, all over the Ballaarat district the trees were placarded with a summons to a mass meeting to be held on 29th November to receive the answer which the delegates would bring. The wording of the placards was very inflammatory, and after setting forth the

aims of the Reform League, it wound up with the significant statement, "Bring your licences, they may be wanted".

It chanced that on the evening before the day fixed for this meeting the American residents of Ballaarat gave a dinner to welcome their Consul, who had arrived from Melbourne on a visit. A number of leading Ballaarat people were present as guests, including Mr. Rede, the Resident Commissioner, and Mr. Hackett, the Police Magistrate. Towards the close of the banquet some uneasiness was caused by the hurried calling away of these two officials, whose presence was urgently needed at the Camp. The electrical condition of excitement which prevailed was presently intensified by vague rumours of fighting, and the occasional sound of firearms broke up the meeting in some disorder. The business which called forth the officials was serious enough—the first affair of outposts, in which some blood was spilled on both sides.

The advance guard of the troops from Melbourne, a detachment of the 40th Regiment, arrived about six o'clock. They had been conveyed by steamer to Geelong, and thence driven up in carts. The subaltern in charge either considered such a mode of entry undignified, or he desired to make an impressive display. When he arrived within sight of the tented field he uncarted his men, and proceeded to march them in with fixed bayonets along the line of road that was flanked by hundreds of angry diggers. They reached the Camp without any display of violence, beyond derisive comments and jeering shouts. But the excitement was greatly increased when it became known that a still larger force was following, and a report gained circulation that the delegates from the League had been thrown into prison. Hastily gathering what arms they could find, a score or so of men started off in the dusk to intercept the coming troops. About eight o'clock the rumble of the approaching waggons was heard, and Captain Wise was seen riding in advance. Two diggers stepped up to him and inquired if it was true, as reported, that the waggons contained cannon to be used against the miners. He injudiciously replied that he had no information to give to a parcel of rebels. This was sufficient to fire the train, and in a few minutes the undisciplined crowd threw itself upon the convoy, overturning one waggon and

capturing another containing several cases of ammunition. The result of the short conflict was that three or four of the military and the driver of the escort were seriously wounded. The soldiers did not show much fight, for they were completely taken by surprise, and not in the military order in which their colleagues had entered on the scene two hours previously. They lashed their horses and, headed by their captain, made for the Camp full tilt. As soon as they were safe within that sanctuary, Commissioner Rede ordered out the mounted troopers to go and recover the waggons and disperse the rioters. The contents of the waggons had been made off with as far as could be done in the time; the remainder had been thrown down abandoned shafts. The troopers were received with hootings, volleys of stones and an occasional pistol shot; but they made a dash at the crowd, cutting right and left, running them down to their tents, and leaving a good many nasty scars behind them. The waggons having been rifled there was nothing to recover, and seeing that the diggers appeared to be up and gathering arms, they made their way back to the Camp. The night's work was indeed a sorry prelude to the great meeting which had been summoned for the morrow to receive the report of the delegates. The action of the irresponsible crowd in attacking the military was condemned by the leaders of the Reform League as most prejudicial to their cause, and likely to precipitate a crisis, which they hoped even yet to avert by diplomatic measures.

The time appointed for the meeting on Bakery Hill was two o'clock, and the signal was to be the hoisting of the new Australian flag, a blue bunting with the constellation of the Southern Cross in silver stars. As the hour approached a steady stream set in towards the spot, work having been suspended in most of the claims. Many of the men were armed in consequence of the reported disturbance of the previous evening, and in the belief that an attempt would be made to disperse them.

Amongst the earliest arrivals was the stalwart Peter Lalor, rifle in hand, accompanied by Timothy Hayes, who, by reason of his Irish fluency, had been chosen as chairman.

The appearance of Black, Humffray and Kennedy on the platform was greeted with much cheering, and their report was listened

to with anxious attention. Black stated the case with painstaking and judicial fairness, and declared that in his opinion the Governor was in favour of the people, but was so surrounded by injudicious advisers as to leave him helpless in the issue. Some feeble attempts to call for cheers for the "New chum Governor" were coldly received, and the suggestion to substitute a petition for the demand for the prisoners' release was furiously scouted as contemptible weakness. After some firebrand remarks from Kennedy, Humffray made another effort to revert to negotiation, assuring the meeting that the Governor was with them, and had appointed a Commission to inquire into their grievances and suggest reforms. Peter Lalor, who had sense enough to see that no calm consideration could be given to proposals sprung without warning upon some thousands of excited men, desired to have a working committee appointed to deal with them, and he proposed that a meeting of the Reform League be held on the following Sunday at the Adelphi Theatre to elect such a committee, and that every forty members should have one representative thereon. This was carried, and it would have been well for the cause if the future guidance had been left to some such deliberative body. But in so large a gathering, variously estimated at from 8,000 to 12,000 men, there were many fiery spirits who chafed under inaction. Consequently half a dozen resolutions were carried with wild enthusiasm, which might have been modified with advantage under less tempestuous conditions. Of these the most important and far-reaching in its results was the third, proposed by Frederic Vern: "That this meeting, being convinced that the obnoxious licence fee is an imposition and an unjustifiable tax on free labour, pledges itself to take immediate steps to abolish the same by at once burning all their licences. That in the event of any party being arrested for having no licence, the united people will, under all circumstances, defend and protect them." Strenuous efforts were made by the Rev. Father Smyth and a few others to protest against so extreme a step, but the meeting refused to hear them. Hayes, the chairman, was determined it should not be carried without a full understanding of its consequences. He asked the crowd if they were really prepared to face death by storming the Camp, if necessary, to liberate any miner locked up there for want

of a licence. He was answered by a roar that if they got the word, a thousand of them were ready to do it there and then. The resolution was carried, bonfires were lighted, and one after another stepped up and cast the obnoxious document into the flames.

It was unfortunate that Sir Charles Hotham's irritability under opposition induced him at this juncture to send peremptory instructions to the Resident Commissioner to redouble his efforts to capture unregistered diggers and to strictly enforce the law. Doubtless he assumed that the presence of so large a military force on the field rendered the time opportune for enforcing submission. But unhappily his instructions reached Mr. Rede at the very time when the fires on Bakery Hill were consuming those objects of the Governor's solicitude. Some of the Camp officials recognised the unwisdom of the step, and deplored the necessity they were under of carrying out such instructions while the echo of the cheers which greeted the burning of the licences had yet hardly died away. But they had to obey orders, and took comfort from the news, which had just reached them, that arrangements were proceeding in Melbourne for the despatch of the remaining troops, supported by artillery, and under the command of the Commander-in-Chief, Sir Robert Nickle. Accordingly, early on Thursday morning, the 30th of November, a company of mounted troopers, under the direction of Commissioners Rede and Johnston, issued from the Camp and made their first charge in the neighbourhood of the Gravel Pits. They were received with hooting and derision, with frequent volleys of stones, and the promise of something more destructive. In fear of a serious conflict the Commissioners called for the support of the military, and a company of soldiers was promptly sent to their aid. The crowd, which under less exciting circumstances would probably have remained quiescent until the result of Sunday's meeting was known, became greatly exasperated when the troops fired a volley over their heads, and scattered in search of arms and ammunition. Commissioner Rede, who was endeavouring to read the Riot Act, was jeeringly told that he could not see the licences because they were burnt, but if he liked to accept the alternative they would all surrender as prisoners. This brought about the *reductio ad absurdum*, and Rede ordered

the cavalry to charge the crowd with a view to dispersal rather than capture. It was soon done, and the last digger hunt in Victoria collapsed with the return of the troops to Camp, in charge of eight prisoners, leaving a number of more or less damaged miners to the nursing care of their comrades.

The action of the Camp officials, though utterly futile as an assertion of authority, and wantonly irritating as an uncalled-for display of a denounced procedure, which the Government had already contemplated abolishing, acted with direful force in inciting those who were not yet committed to armed revolt. The alarmed diggers hastened to consult the leading spirits of the Reform League. At a mass meeting held in the afternoon Peter Lalor came to the front. He had shown readiness in controlling a crowd, and he now advised them to form companies, according to their arms, and to elect their own captains out of the best men amongst themselves. He made a stirring speech, scathingly condemning what he called the unaccountable outrage of a licence hunt at the point of the bayonet, and he felt called upon to offer some advice as to further defence against tyranny lest the want of a leader should bring about disaster. He disclaimed all pretension to military knowledge, and was only anxious to help them to choose the best man; but the meeting would have no other leader, and when that was evident he accepted the position, declaring that if he once pledged his hand to the diggers, he would neither "defile it with treachery nor render it contemptible by cowardice". After the election of the commander and the allotment of various subordinate posts the Southern Cross was again hoisted, and the men, gathered round in batches, took the oath of allegiance under the most melodramatic surroundings.

In view of the possibility of an early conflict, the discipline of drill was now vigorously enforced, and to avoid its interruption by the police, an area of about an acre, on the Eureka lead, was hastily enclosed with piled up mining slabs, logs, building timber and any handy material. As a position of defence it had nothing to recommend it beyond the flimsy cover offered by a breastwork of logs. It was Vern's idea of a stockade, imperfectly carried out, and it contained within its limits several claims and the tents of

those working them, besides the improvised shelter for the rebel garrison. But even while the historical stockade was in course of formation, a meeting of the League was held to make one more effort to avert bloodshed, by appealing to the Camp to let things remain *in statu quo* until the Government should have had time to consider the situation. To that end Messrs. Black and Raffaello, introduced by the Rev. Father Smyth, waited upon the officials, to ask for the release of the prisoners apprehended that morning, and a pledge not to renew the licence-hunting. Messrs. Rede and Hackett were firm in their refusal, alleging that if they did not obey their instructions, Sir Charles Hotham would promptly supersede them by others who would.

Next day, Friday, the 1st of December, the occupants of the stockade were hard at work at 5 A.M. Sundry awkward squads were being put through a futile course of drill; parties were being told off to rummage the field for firearms, and to try and win over to the cause such generous butchers and bakers as aspired to be "purveyors to the Reform League". A few score of willing hands were labouring to give cohesion and stability to the flimsy barricade forming the outer line of defence. All day long the clang of the anvil sounded from the improvised smithy of a German blacksmith, who was fashioning pike heads out of any scraps of iron the diggers could bring to him, for the general armament was sadly deficient. In the afternoon a contingent of 300 or 400 men arrived from Creswick to join forces, and were much disappointed to find neither commissariat supplies, arms nor ammunition available for them. Some promptly expressed their disgust, and left the stockade and its cause forthwith. Others decided to see what next day would bring forth, and in default of quarters passed the night squatted round the big fire which burned in the centre of the stockade.

Saturday, the 2nd of December, dawned upon a mass of conflicting interests. The Camp, alert and watchful, thought it prudent to await reinforcements. The diggers, not yet under proper discipline, were incited by some turbulent spirits to make a dash on the Camp and overwhelm it by sheer force of numbers; by others, to march out and cut off the reinforcements now on the road; and yet again, by the more cautious, amongst whom Humffray was prominent, to

stand only on the defensive, and await developments. Father Smyth sought Lalor's permission to address those of his congregation who were under arms, and this being granted, he besought them with solemn earnestness not to embark on a career of useless bloodshed. He assured them that, with the well-organised Camp opposed to them, and the crushing military force now on its way, they could have no hope of success in actual fighting, and he implored them, as they called themselves Christians, to attend him at Mass on the following morning. His services to the diggers' cause were too well known not to assure him a respectful hearing, so, while it did not lessen the preparations of the leaders, his speech won many silent converts, who made their arrangements to pass the night outside the barriers. During the day men went in and out of the stockade as they listed, with scarcely a pretence of password or challenge. There had been no overt display of the military during the morning, and the diggers indulged in a mistaken impression that now they had shown they were in earnest the Government would try and find some reason for meeting their requests. They went through their drill evolutions during the forenoon, and their talk was cheerful of the anticipated results of the great meeting called for the following day. By noon a large number of them began to disperse to their own tents, and by two o'clock the stockade was practically deserted, except by those who had come in from some outlying field, and those whose tents were enclosed within the ramparts. According to one witness, there were barely a hundred within the stockade during the afternoon, but towards dusk a good many began to return. There is no reliable record of the number of defenders when the stockade was assaulted, but it is certain that the seven or eight hundred who made it lively on Friday had dwindled to about one-fourth. Probably there were not over two hundred when the watch was set for the night. Of these about fifty had rifles; as many more revolvers and pistols, and a portion of the remainder, pikes, axes and pitchforks!

The lack of vigilance and discipline which allowed Lalor's forces to scatter made it easy for strangers to enter, with disastrous results. Amongst the active sharers in the drilling and organising, as well

as in the plans of the rebels, were a couple of troopers, disguised as diggers, who daily reported to the Camp what was going on. The Commissioners, conferring on these reports with Captain Thomas, soon realised the diminished numbers and demoralised condition of the insurgents, and determined to strike a blow at once. They had no doubt of success, and felt that, in such case, it would deter all the waverers from coming back, and crush any hopes based on the next day's meeting.

Of the six chief conspirators, Lalor, Black, Vern and Hayes were within the stockade at midnight. Raffaello slept in his own tent outside the barrier, and Humffray had withdrawn when the League began to commandeer arms and provisions, though he was still on the field. Sentinels for the night were selected from the "Californian Rangers Revolver Brigade," the remainder of that contingent, said to number fully 200, being out on the Melbourne Road to intercept reinforcements. The military capacity of these sentinels scarcely came up to their high-sounding appellation. More than once during the night they imagined they saw soldiers, and unnecessarily aroused the sleeping garrison, so that when at last the attack was delivered the response was not as prompt as it ought to have been.

The fight for the flag which occurred at Eureka in the grey glimmer of dawn on that Sunday morning was a fight in which the advantage of arms, of discipline and of direction lay entirely with the besiegers. There was no necessity for clever generalship, no room for elaborate plan of attack. The area enclosed sloped down towards the Melbourne Road, along which the troops were expected to approach. But the onrush came from another quarter. The Camp forces consisted of 152 infantry and 30 mounted soldiers, with 70 mounted and 24 foot police, a total of 276 men. The armed insurgents outside the stockade far exceeded the number of those within, and had they been concentrated might have materially altered the result of the day's work. But the Government spies had informed Captain Thomas of the destinations of these outsiders, and the improbability of their being within call to the aid of their comrades. Hence, it was really a strong force, well in hand, pitted against some 200 men, half-armed, short of ammunition, and many of them asleep when the signal-gun was fired.

The troops stole silently out of their Camp at 4 A.M., and marching with the utmost caution reached within 300 yards of the stockade, when a gun was fired by one of the sentinels as an indication that they were discovered. Captain Thomas ordered the troops to advance steadily without firing until the bugle sounded. The mounted police and the cavalry rode briskly on, while the storming party of the 12th and 40th, making for the centre of the barrier, received the first volley at about 150 yards. Captain Wise fell mortally wounded, two privates were killed outright, and two or three were temporarily disabled. The bugle rang out, and a line of fire poured from the guns of the storming party, and from the reserve forces covering them from the slopes of Stockyard Hill. Several figures that had been seen rushing to the defence of the palisades staggered and fell before the hail of bullets. As the first rays of the coming sunrise revealed the interior of the stockade to Captain Thomas, he realised that the defence had been largely left to chance. Even after the exchange of volleys men were seen only just emerging from their tents and seeking instructions. The keenest fighters were already at the logs, but most of them were only armed with fowling-pieces or revolvers. The forlorn brigade of Irish pikemen, waiting to receive the cavalry charge, were the unhappy recipients of many bullets, which they had no means of returning. After another volley from the soldiers, which sounded like the roar of a tempest compared to the dropping fire of the insurgents, the order was given to charge. With a cheer the soldiers threw themselves on the flimsy barricade, which went down before them. For a quarter of an hour there was a desperate hand-to-hand fight, but the crowd could not stand against the compact line of advancing bayonets, and when the cavalry and mounted troopers swooped in upon them on both flanks they turned to seek shelter, and all was over.

Peter Lalor, who on the first alarm had rushed to the front and sprang upon a log to direct the defence, received a bullet which shattered the bone of his arm, close to the shoulder. He saw the overthrow of the barriers and the onward sweep of the troops. Dazed by the wound and the rapid loss of blood, he jumped down, and called to the men around him to save themselves for the stockade was taken. Two or three men urged him to fly with them, but

he sank to the ground and told them to leave him. As he could not move, and they would not abandon him to be trampled to death, the lowered him into a shallow hole, covered it with slabs and fled. The German blacksmith, armed with one of his own pikes, fought with exemplary courage, and spoiled a good many bayonets during the mêlée. Singling out Lieutenant Richards of the 40th, he charged him fiercely as he sprang into the stockade. But that officer succeeded in parrying the thrust, and with a rapid swinging blow of his sword literally sliced off the top of his opponent's skull. The two lieutenants of Lalor's staff, Thonen, a Prussian, and Ross, a Canadian, were both killed, having apparently made it an issue of life or death to maintain their posts. Black did not figure in the fight, and he was not among the prisoners, though he was certainly in conference with Lalor up to a late hour on Saturday night. The "long-legged Vern," whose verbal military ardour had been excessive, was one of the first to take Lalor's advice and save himself. While most of the diggers when surrounded threw down their arms and surrendered, Vern, with a few companions, cleared the stockade at the opposite end and scuttled for Warrenheip, through the bush.

The testimony of many witnesses, confirmed by subsequent official investigations, proved that while the military did their duty with steadiness and courage and under excellent discipline, the police, exasperated by their long-standing feud with the diggers, got quite out of hand, committing many acts of wanton cruelty in the hour of their triumph. Mr. John Lynch, of Smythesdale, who with a small company was trying to stem the inrush of the troops when the barriers fell, says that finding themselves confronted with a line of advancing bayonets, they were rather relieved to hear the officer call upon them to surrender, and throw down their arms, which they promptly did on his promising them protection. Five minutes later, as they stood unarmed and huddled together, a body of police charged straight at them with drawn swords, and would have made short work of them but for the intervention of the officer, who warned the police that these men were his prisoners, and under his protection. In all cases the military accepted surrender when arms were thrown down, and by six o'clock a miserable procession of 125 prisoners set out for the Camp, leaving a blood-

stained track as they staggered along. While the soldiers were forming up with their prisoners, the police set fire to all the tents within the stockade, and afterwards to many others that were far outside the barriers. Women and children were ordered out to see their sole shelter and all its contents consumed before their eyes, under the pretence that some of the insurgents might be concealed there. The work of destruction having been completed, and the area of the stockade a waste of smouldering embers and blood-stained corpses, the police followed the military to the Camp, with a few additional prisoners, bearing with them the flag of the insurgents, which had fluttered through such a brief and inglorious existence.

The official report to the Government from Captain Thomas says: "The number of insurgents killed is estimated at from thirty-five to forty, and many of those brought in wounded afterwards died". This appears to be an exaggeration. Sixteen bodies were brought in for interment, and eight others were known to have succumbed to their wounds. Probably some died from their wounds while in hiding, their fate being concealed by their protectors lest it should involve them in trouble. Of the military, Captain Wise and four private soldiers lost their lives, and a dozen were more or less seriously wounded. The police appear to have escaped any serious casualties. Unhappily, among the killed and wounded were several non-combatants. At the inquest held on the body of one of these victims, named Henry Powell, the coroner allowed the jury to add to their verdict the following startling rider: "The jury view with extreme horror the brutal conduct of the police in firing at and cutting down unarmed and innocent persons of both sexes at a distance from the scene of disturbance on 3rd December, 1854". It might be assumed that so terrible a charge was the outcome of local irritation or personal animosity. But it was undoubtedly believed in by the press of the colony generally. The *Argus* more than once speaks of the "reckless brutality" and "callous indifference" of the troopers. The *Geelong Advertiser* denounces the "massacres" of which they were guilty. What the *Ballaarat Times* says about them is almost unquotable, but then its editor, Seekamp, was one of the proscribed. The prevailing opinion certainly received confirmation in the report of the Board sub-

sequently appointed to inquire into the diggers' grievances, of which Wm. Westgarth was chairman. Writing three months after the excitement of the fight had evaporated, the Board refers to the "disgraceful inhumanities connected with the outbreak," and goes on to say: "Assuredly on the part of the mounted division of police there seems to have been a needless as well as ruthless sacrifice of human life, indiscriminate of innocent or guilty, and after all resistance had disappeared with the dispersed and flying rioters".

Of the 125 prisoners brought into Camp some were immediately released, and others took their place; finally, 114 were locked up for the night in very close quarters. During the next four days the Commissioners' Court had a busy time in sorting out the most guilty. By Thursday all were discharged but thirteen, who were duly committed for trial on the charge of high treason. Of the prominent six only two, Timothy Hayes and Raffaello, were amongst the final selection. Humffray was ignored, but placards were issued offering a reward of £500 for the capture of Vern, and £200 each for Lalor and Black.

Fortune was kind to these proscribed outlaws. Vern, whose braggadocio had induced a belief that he was "Commander-in-Chief," hence the largeness of the reward offered for him, found shelter on that Sunday night in a miner's camp in the ranges. The occupants, who were probably his own countrymen, sheltered him for a month, and as there were four of them in the secret, it speaks well for their loyalty that they never sought to sell him for a price so much in excess of his real value. To put the police on a wrong scent, he had the audacity to address a letter to his late "comrades in arms" purporting to be written on board a ship at Sydney Heads, and dated 24th December. In this gushing effusion he takes a tearful adieu of the country of his adoption, and bemoans the fact that "Fate denied me a warrior's death, a patriot's grave, and decreed that I should languish in banishment!" It was surely what our American brethren call smart to get this letter published in the Melbourne *Age*, with the editorial assurance that its authenticity might be relied on. And yet it is a fact that when he wrote, and for some twelve months afterwards, he had never left the goldfield!

The escape of Peter Lalor has more interest for Victorians because of the important part he played in the colony's affairs when it fully achieved self-government.

When the last of the police had finally cleared away after removing the dead bodies from the stockade, some miners discovered Lalor helpless in his burrow. With great caution they succeeded in smuggling him out into the bush, and there they procured a horse on which they held him, while he made for the hut of a friend in the ranges. The night was spent in wandering at large in the bush. At daybreak next morning, in great pain and faint from loss of blood, he reached the hut of a mining mate, Steve Cummins, where he was given food and rest and an attempt was made to dress his wound. His host, however, saw that the wound was too serious for amateur treatment; moreover, he knew that the police were aware of his friendship for Lalor, and felt that they would be stimulated by the reward offered to search his place, so he consulted Father Smyth as to the best means of securing surgical assistance and safety for his friend. The generous priest at once assured him of both if he would bring Lalor to the presbytery under cover of night. This was done, and in that sanctuary Drs. Doyle and Stewart amputated the arm from the shoulder joint, for the long delay in dressing it, and its rough usage, had destroyed all hope of saving the limb. The suspicions of Cummins about the police were fully justified, for at the very time the operation was in progress the troopers were ransacking his dwelling for traces of the man, who was worth £200 to them. As soon as he was able to be moved, Lalor was transferred to the secret custody of a friendly storekeeper at Brown's Hill, with a view to getting a passage to Geelong. Eventually he was safely conveyed to his destination by a carrier, named Michael Carroll and his son, who knew the risk they were running, and, scorning the temptation of the reward which obtruded itself by placards all along the route, were satisfied to have done a friendly turn to a man they admired without seeking any pecuniary recompense. Lalor passed the two days' journey lying under a tilt on one of the drays, for his wound was still unhealed and he was very weak. They had some hairbreadth escapes from recognition by the way, meeting many inquisitive

troopers, and even some civilians who yearned after the reward. But they successfully parried all inquisitiveness and safely landed the proscribed rebel at the home of his friend in Geelong, where he was nursed into convalescence. When the abortive trials of the insurgents collapsed Lalor returned to Ballaarat unmolested, and the emancipated diggers not only received him with enthusiasm but subscribed £1,000 to enable him to start in business, and before the year was out elected him in conjunction with his former colleague, Humffray, as the first representatives of Ballaarat in the old Legislative Council.

Two days after the capture of the stockade, while the preliminary examination of the insurgent prisoners was being conducted, Major-General Sir Robert Nickle, with the remainder of the troops, arrived. By direction of the Governor, martial law was proclaimed throughout the district on the 6th of December. The behaviour of the Commander-in-Chief was so conciliatory and so reasonably just that he found no difficulty in re-establishing authority. The diggers generally gave him a respectfully friendly reception, and lost no opportunity of declaring that, however undesirable the theory of martial law might be, they infinitely preferred it in practice to police rule. It was soon evident that such a drastic measure was quite uncalled for, and on the 9th of December it was repealed by proclamation.

But the ferment which had worked such disaster at Ballaarat was now transferred to the Metropolis. In the early days of December the wildest rumours were afloat there about an army of infuriated diggers being *en route* to overthrow the Government, and on the afternoon of the 4th, when an express despatch reached town with the news of the Eureka fight, the death-roll of that calamity was magnified a hundred times. As an evidence of the alarm felt by the Governor, he sent an urgent message to Sir William Denison in Tasmania for the loan of troops to enable him to maintain order in Melbourne, and 300 men were sent over by special steamer, arriving on the 10th, by which time matters had quieted down. On Monday evening the Mayor was urged by several members of the Legislative Council to call a meeting of the citizens, which was held on the following day at the Mechanics' Institute. The rush

to discuss the burning question of the hour was so great that the meeting had to be adjourned to the open air, and was held in Swanston Street. The resolutions submitted deploring the resort to arms, and urging all classes to unite in suppressing disorder, were supported by J. P. Fawkner, John O'Shanassy, Henry Miller and others, and though interrupted by much adverse criticism were declared by the Mayor to be carried. The object of the meeting, which had been convened to strengthen the hands of the Government, was nullified by subsequent proceedings. For no sooner had the Mayor given his ruling, and declared the meeting closed, than the platform was rushed and a new set of orators, presided over by Dr. Embling, proceeded to pass resolutions of a much more fiery character. The speakers denounced the Government for having wantonly provoked armed resistance; they demanded the peremptory dismissal of Foster, the Chief Secretary, to whose administrative incapacity the recent deplorable massacres were said to be due, and so forth. Finally, the meeting dispersed with tumultuous cheers for the cause of the diggers.

This was only a chance meeting, snatched out of the hands of the law and order party. On the following day, Wednesday, the 6th of December, they had a special gathering of their own, summoned by advertisement and placard, and by the vehement support of the *Age*, then just newly started to champion the cause of the people against any Government. It was held on a vacant block of land in Swanston Street, now covered by part of St. Paul's Cathedral. Mr. Henry Langlands was chosen to preside, and the chief speakers were David Blair, J. M. Grant, Dr. Embling and Dr. Owens, of Bendigo. Mr. J. P. Fawkner was also on the platform, but being for constitutional measures, this man, who had spent half his life in defying authority, was accorded a very impatient hearing. Between four and five thousand persons were present, who cheered and shouted and jostled with excitement as each speaker made his most telling points. David Blair was the real firebrand, and with a rasping voice and much declamatory gesticulation he denounced the brutal official excesses of a military despotism that had driven an unwilling people to bloodshed because they had no alternative. Leaflets were profusely distributed

amongst the crowd, setting forth an entirely new constitution for Victoria, the seven clauses of which contained some of the most preposterous ideas of Government that ever emanated from men who could read and write. And yet they were put forward in all seriousness by men, several of whom were afterwards considered worthy of election to legislative and even ministerial positions. Amongst other startling suggestions was the immediate abolition of the Custom House and all its imposts. Provision for the maintenance of Government was to be levied upon property, and all absentees were to be taxed to the extent of 75 per cent. on their ascertained income. The headlands commanding the harbours of Melbourne and Geelong were to be immediately fortified, and one of the public foundries was to be devoted to the construction of floating batteries for the bay, and the casting of long-range cannon! Powder mills were to be established, and a mint started at once. The Government was to be prohibited from borrowing money at interest, but to forthwith commence the issue of one-pound notes! All men in the army or police were to be disbanded at once, and compensated by a month's pay, and a grant of 100 acres of land on their undertaking to cultivate it. And all the land of the colony, not already sold, was to be cut up into farms of 250 acres each, at a nominal rent, with right of purchase at a trifling outlay. Henceforth there were to be none but citizen soldiers, and every male between sixteen and sixty was to attend drill once a week, and they were to elect their own officers. Finally, the meeting was to appoint a "Provisional Directory" of twelve to carry out these principles.

Such is a brief outline of the radical constitution which had the honour of appearing in full in the State Papers of the British Parliament, but which attained no higher distinction. Surely the apotheosis of free speech was reached here in the advocating of such proposals from a public platform. The proud boast of the laureate, that under British rule "a man may speak the thing he will," was fully justified. But talk is cheap. Action is another matter. Had it gone beyond talk the Government was not altogether unprepared. Though the main military force of the colony was at Ballaarat, the cheering crowd was not aware that 300 police-

men, in proper fighting trim, were secretly gathered in Russell Street, ready to swoop down in five minutes if the danger-signal had been given. One hundred gaol warders had been gathered in from Pentridge and from the prison hulks in the bay, and were concentrated, under arms, in the Melbourne gaol; and all the marines and bluejackets that could be spared from the two sloops of war in Hobson's Bay were secretly planted, like so many torpedoes, at the Treasury and Custom House. Further, the military contingent from Hobart was even then being embarked, to save the dignity of the Crown.

But happily the crowd did not wildly adopt the revolutionary proposals. The proceedings degenerated into a good deal of banter, and the meeting dispersed quietly, after appointing a committee to mediate between the Government and the diggers. Sir Charles Hotham, however, refused in any way to deal with them. He had already appointed a Commission of prominent colonists to inquire into the diggers' grievances, and he sternly refused to add to it the names specially called for by the meeting, or to take any action until he received its official report.

There was a strong consensus of opinion that the rioting was the result of gross injustice and maladministration, and that the punishment of the thirteen prisoners, selected out of over 200 active combatants, was a mere travesty of justice. It was anticipated that the inquiry of the Goldfields Commission would ensure reforms which would remove the cause of past trouble, and that if the unhappy episode was closed by an act of grace on the part of the Crown, it would materially promote the restoration of peace and goodwill. Numerously signed petitions for a general amnesty were presented from Melbourne, Ballaarat and other goldfields. The press, the public, and a majority of the Legislature were in favour of this course; and even the newly appointed Commission made an anticipatory recommendation in favour of an amnesty. But Sir Charles Hotham was angry, obdurate, and so lamentably shortsighted as to oppose his personal will to the wishes of the whole community, with disastrous results to his prestige. He dismissed all appeals with the curt intimation that while he was willing to initiate reforms if recommended by the Commission, the thirteen rebels who had

taken up arms against the Queen's authority must be tried and dealt with as the law directs.

So the trials had to go on, and it is very significant of the extent to which public feeling was opposed to the Governor's course that some of the most eminent counsel of the Victorian Bar volunteered their gratuitous services for the defence. Richard Davies Ireland, Butler Cole Aspinall, Archibald Michie, James McPherson Grant and H. S. Chapman, all of whom were afterwards Ministers of the Crown in Victoria, stepped into the breach in turn to cross swords with the prosecution, conducted by Wm. Foster Stawell, the Attorney-General, and Robert Molesworth, the Solicitor-General. It was an unhappy business, but the result was inevitable. The first two prisoners were tried before Chief Justice A'Beckett in the middle of February, 1855. Messrs. Aspinall and Michie turned the proceedings into such hopeless ridicule, and so discredited the police witnesses, that both men were promptly acquitted. The Judge was greatly irritated by the production of a comedy in his Court, in lieu of the grim tragedy set down, and he manifested his displeasure by sending to gaol for a week a couple of spectators who gave vent to their delight in his presence. But he was powerless to suppress the roar of applause with which the verdict was received outside.

The Attorney-General ordered the trials of the remaining prisoners to be postponed for a month, in the hope of securing a jury more amenable to his arguments. Advantage was taken of the respite to endeavour, by fresh petitions and articles in the press, to induce the Government to accept these indications, and to abandon further proceedings. But the Governor was inflexible: he had pledged himself to seek justice, and each one should be put on his trial. So on the 19th of March the business recommenced, before Judge Barry. The month's reflection had only intensified the popular opinion, and ten days were wasted in each prisoner having to plead to his indictment, to listen to evidence to which he deigned no reply, and to be formally acquitted. The uproarious cheers with which some of the accused were shouldered down the Melbourne streets had perhaps no great significance, but the mass of the people were undoubtedly glad of the result, and were ashamed

that so sorry a spectacle should have been strung on long after the result was obvious.

When the last prisoner went free the rewards for Vern, Lalor and Black were withdrawn, and under a new Chief Secretary those reforms were begun which, had they been initiated a year before, would have rendered the struggle at Eureka an impossibility. All that the Ballaarat Reform League demanded was conceded to the people, and certainly might have been secured without bloodshed if the diggers could have commanded patience. But patience is a hard doctrine to preach to men smarting under admitted injustice, and whose protests are met by a summons to obedience and the repression of brute force.

CHAPTER III.

THE TRANSITION TO RESPONSIBLE GOVERNMENT.

Sir Charles Hotham had failed to disentangle the intricate difficulties which, to use his own words, he had inherited from the weakness shown by the previous Executive. As he could not unravel the Gordian knot he cut it with the sword of authority, and found himself denounced all round for his obstinacy and impulsiveness. But it must be admitted that he showed much judgment in endeavouring to secure the best advice from those whom he fancied he could trust. He was certainly not afraid of responsibility, though he more than once honestly declared that his limited knowledge of colonial requirements debarred him from acting promptly on his own initiative. While deploring the necessity for delegating any of the functions of Government, he yet appointed Boards of Inquiry and Royal Commissions with a free hand. Besides the important ones already referred to, such as those on the financial position, the squatting tenure, and the management of the goldfields, there were inquiries going on in connection with the police, the commissariat department, and other sources of reputed waste. Two of these at least did good work and secured substantial reform; others revealed grave irregularities, and nipped in the bud a growing tendency towards corruption and scandal.

The report of the Goldfields Commission, however, probably disturbed him most. It was a tediously lengthy, and by no means conclusive deliverance, and with the voluminous evidence made about three days' solid reading. It distributed blame pretty freely all round, but it fenced its accusations with so many "ifs" and "buts" that they did not lead to action. Some of its recommendations were undoubtedly good. It decreed the abolition of the licence fee, not so much on the ground of its injustice as of "the

unseemly violence often necessary for its due collection". It substituted for it a document, happily called a "Miner's Right," at a fee of £1 per annum. This was not to be demanded by the police, but was simply an evidence of the miner's legal possession of his claim, and his right to the gold he extracted. Without it he could be displaced, and his earnings confiscated by those in possession of the proper authority. Further, the document should confer upon the miner, pending the enactment of electoral arrangements under the New Constitution, the right of voting for an additional eight members of the Council to represent the goldfields. To compensate for the loss of revenue an export duty on gold of 2s. 6d. per oz. was proposed.

The manner in which the Commission dealt with the want of land grievance, and the claims of the miners to political rights, was not very acceptable to the Governor. Nor did he admire their drastic comments on the enormous expense and inefficiency of the cumbrous official staff, and the blundering, muddling methods of the civil commissariat. The report recommended the immediate abolition of the latter department, together with that of the Chief Commissioner of Goldfields, and that one-half of the police should be dispensed with. To stop the official wrangling arising out of divided responsibility, it was suggested that all authority should centre in a new head, to be called the Warden of the District: such an official to be appointed for Ballaarat, Sandhurst, Castlemaine and Beechworth, to be responsible only and directly to the Government.

The report was signed by Westgarth, Fawkner, Hodgson, O'Shanassy and Strachan unconditionally; but W. H. Wright, the Chief Commissioner, wished to add a protest, complaining that his colleagues had not done justice to the officers of his department, who had been so vehemently attacked by many of the witnesses. The Commission decided that as his administration was practically on its trial his rider was inadmissible.

The report, reaching the hands of the Governor just at the time when the acquittal of the Ballaarat rioters was evoking a turbulent display of sympathy, greatly depressed him. The vindicatory tone of his despatches of the 2nd and 3rd of April, in which he forwarded a copy of it to the Secretary of State, is not without a certain touch

of pathos. He laid his troubles very freely before his Imperial employers, and while claiming to have done his best, under very trying conditions, was not very hopeful of the result. The bogey of the disturbing foreign element still haunted him, though the next eight months wrought a great change in his opinions. On the 21st of November he wrote that the effect of the reforms, based upon the report, had even surpassed his most sanguine expectations: "Good order and quiet have generally prevailed, and a spirit of contentment appears to exist among the mining population". He had become a convert to the export duty on gold, and admitted that his fears about smuggling had not been realised. And although he felt sure that further legislation would be required, especially in relation to mining on private property, he thankfully recognised that the onus of a decision would not rest with him. "The Constitution," he says, "will have introduced self-government, and on the people themselves will rest the responsibility of adjusting this most difficult question."

This was his last deliverance on the subject. Like the great Hebrew lawgiver, though permitted to look upon it from a distance, he was not destined to enjoy that promised land wherein the office of Governor was to become a well-paid and honourable sinecure. His eighteen months' tenure of the dignity had been redolent of trouble, anxiety and disappointment, and the reasons were very apparent. He had much of the spirit of the Duke of Wellington, who, when approached on the subject of a Constitution for Malta, scornfully replied that he would as soon recommend elections in an army, or a parliament on board ship. And Sir Charles Hotham's sturdy inflexibility caused the newly born *Age* to take up towards him the carping attitude which the *Argus* had so long sustained towards his predecessor, crying aloud for his dismissal, lest the people should be goaded into taking matters into their own hands. Like his autocratic Attorney-General, the only member of his Executive by whom he was at all swayed, he chafed under the formalities of conventional discussion when action seemed pressing. He made more than one mistake in administration which irritated the Legislative Council, always very jealous of its importance, and placed himself in a position from which it was difficult to retreat with

dignity. The first breach with the Council arose out of the resignation of Mr. Foster, the Colonial Secretary.

The outburst of popular indignation against the whole machinery of Government which was evoked by the unhappy events at Ballaarat demanded at least one victim, though it would doubtless have been more fully appeased if the whole Executive could have been dismissed. Foster was the nominal head of the condemned body, but there was no ground for the popular belief that he was chiefly culpable. In some vigorous letters which he addressed to the Speaker (Dr. J. F. Palmer) in vindication of himself, he plainly showed that he was not specially blameworthy for the miscarriage of Government, and that in the many errors of the administration his colleagues were chargeable with a very ample share. In reality, he quailed before the awakened anger of his fellow-colonists, and his quondam comrades were apparently quite prepared to let him play the part of Jonah. It is not at all clear that his action was purely voluntary, but he had plenty of reasons for desiring release. He had chafed under the notorious fact that the Governor had sought the advice of O'Shanassy in connection with the Colonial Secretary's inflated estimates, and had put a curb on his proposed expenditure. Again, Foster was opposed to many of the recommendations of the various Commissions appointed by the Governor, but he realised that, owing to his unpopularity, he could not command support if he stood out. To escape from this tempest of hostile criticism, he informed the Governor that he was prepared to resign if His Excellency thought such a course would tend to the restoration of public confidence. He improved the occasion by dwelling on the personal sacrifice he was making, and the Governor, no doubt, administered consolation by promising to recommend a substantial pecuniary recompense. This was in December, and in the following February (1855) Sir Charles, having in the meanwhile appointed Mr. Wm. Clark Haines to the office of Colonial Secretary, sent a message to the Council proposing a grant of two years' salary to Foster, in consideration of his loss of office on public grounds. His former associates would not take a generous view of the situation. Some of them were uncharitable enough to insinuate that the Governor had bribed him to play the

scapegoat that the public anger might be diverted from a higher aim. Many years after the death of Sir Charles Hotham, the publication of his confidential letter accepting Foster's resignation finally dispersed all such slanderous rumours. Whether these belittling suggestions really affected the voting it is not possible to say, but for some reason, satisfactory to themselves, the members of the Council set their face against any compensation, and though the claim was revived at intervals over several years it remained unliquidated.

The new Colonial Secretary was a man with a high repute for integrity, of strong conservative instincts, a slow thinker and a poor speaker. In dabbling unsuccessfully with agriculture on the Barrabool hills he had acquired something of the antipathy to the squatters which marked the farming class at this time, but he had too high a sense of honour to seek to do them political injustice. By no means the type of man to evoke enthusiasm in the Council, but commanding the respect of members by his dignified reticence, his patience as a listener, and the unfailing courtesy of his manners. His appointment allayed the public irritation, and it was soon evident that the community was prepared to give him a fair trial.

There were plenty of questions involving heated argument in the Council, but they were mainly matters of administration. The real work before that body, work the satisfactory performance of which might materially affect the future welfare of the colony, was the framing of the necessary measures, electoral and otherwise, for the launching of the New Constitution. It was evident that a Ministry responsible to Parliament, and through it to the electors, could not be called into existence until the machinery for such elections had been completed. But the wording of the New Constitution Act required it to come into force on the date of its proclamation, which, it further decreed, must be within one month of its receipt in the colony. It reached the Governor's hands on the 23rd of October, 1855, and on the 23rd of November a special Government *Gazette* proclaimed that it had come into operation. During the intervening month there had been many consultations between the Executive officers and the Governor, which had been

far from harmonious. The transformation of these officials, now acting under the direction of the Governor who appointed them, into Ministers who would owe him no responsibility, but were liable to be dismissed by a hostile vote of the House they were assumed to guide, was an operation requiring firmness, tact and some self-surrender. Unfortunately, these qualities were conspicuously absent on both sides.

On the one hand, the members of the Executive were certainly influenced by the interpretation they put on the thirtieth clause of the Constitution Act, which safeguarded the interests of those officials who under the new order of things might be called upon to retire, on political grounds. If they had now to make way for the new grade of Minister, their handsome life pensions were safe; but if they went on as they were until the elections, and were then rejected by the popular vote, they could hardly define such a calamity as a "release from office on political grounds". The temptation was great to make sure of the pensions, even if it involved in its attainment a compromise of some of their differences with the Governor as to his interpretation of the Act in matters bearing upon his powers.

On the other hand, the Governor was exacting in his demands for a reading of the statute that was certainly widely opposed to the spirit which the people had been led to believe it contained. Doubtless, during the conferences he had made his views pretty clear to his nominal advisers, but they were not formulated until embodied in a minute addressed to the Colonial Secretary on the 23rd of November, the day of the proclamation, and also of the meeting of the Legislative Council. The official minute is bluntly explicit. The Governor will choose his Ministry because it possesses the confidence of the country, and will accept their resignation whenever they cannot command a majority in Parliament to carry on the country's business. But he goes on to say, there is another condition inherent in the representative system, which is that the Ministry should possess the confidence of the Governor, because he is responsible to the Queen for the good order, credit and reputation of the colony! Based upon this fantastical assumption the minute further proclaims: "The Governor will always require that previ-

ously to the introduction of any measure into Parliament his sanction be obtained. Should he refuse his sanction, and the measure be of sufficient importance to warrant such a consequence, he may, should he think proper, change his administration, or they may, should they feel aggrieved, tender their resignation; but in no case can they be justified in submitting a measure to Parliament without the cognisance of the Governor."

A subsequent paragraph, in which His Excellency specially disclaims any desire to interfere with the arrangements of the Ministry, or to be a party to their consultations, was hardly taken seriously, especially as it was followed by a clause in which he intimated that he would "insist" on the principles of the Constitution being maintained, quoting prominently the clause which vested all appointments to public offices in him, with the advice of the Executive Council. With a well-founded apprehension of what might be the outcome of party strife, he formally warned his advisers that he would "not be a party to the appointment of a person whose sole recommendation may be the advocacy of certain political principles".

Whether these somewhat imperious conditions were accepted by a so-called Representative Ministry as a *quid pro quo* for the assurance of their pensions cannot be demonstrated from the records. That such an opinion was indicated in public, and covertly expressed in the Legislative Council, is certain. And if the suggestion was ungenerous, it probably owed its origin to the air of concealment and mystery which surrounded the proceedings. Subsequently, when a debate on the Governor's minute was proceeding in the Council, Mr. Haines took the defensive by declaring that when the Governor's views were submitted to them, the Ministers were so busy discussing their future policy that they did not take the document into full consideration. They had, however, since discussed it, and considered it impracticable. It is almost incredible that so plain-spoken a man as Sir Charles Hotham did not succeed, during a whole month of discussion, in making his views clear to his Executive; or that, when they were put in writing, they should have been lightly set aside as unimportant.

It has been clearly pointed out by Professor Jenks (*The Government of Victoria*, chap. xxii.) that the roundabout method of releasing

from office the existing heads of departments forming the Executive and next day reappointing them as Responsible Ministers was entirely uncalled for on constitutional grounds. But Mr. Stawell had advised otherwise, and the Governor was always loyal to the opinion of his Attorney-General.

On the 27th of November the Legislative Council, on reassembling, was informed by Captain Pasley, a minor official in the Executive, that Messrs. Haines, Childers, Stawell and Captain Clarke had resigned their respective offices, and pending further developments, he moved the adjournment of the House. The astonished members, confronted unexpectedly with such an announcement on their first meeting after the proclamation, were uneasy and suspicious. They declined to adjourn until they had passed a resolution asking to be furnished with the fullest information as to the alleged resignations, or "dismissals" as the address insinuated.

On the next day, before the Governor officially replied to this resolution, an announcement was made to the House, in correction of Pasley's statement, that the four "resigned" officials had really been relieved from office on political grounds. And before members could realise the subtle importance of the distinction, they were informed that the Governor had been pleased to appoint those gentlemen, with the same official status which they formerly held, to the vacated seats in the Council, pending the signification of Her Majesty's pleasure. To them he added Mr. Sladen as Treasurer, in lieu of Captain Lonsdale, resigned; Mr. Robert Molesworth as Solicitor-General, in place of Mr. Croke, gone to England; and Captain Pasley to take charge of the newly created department of Public Works. The Governor thus completed his first Ministerial Cabinet, called responsible, but not yet chosen of the people.

When this dramatic surprise was sprung upon the Council there were murmurings and disapproval of what appeared to be high-handed proceedings on the part of the Governor. But when, shortly afterwards, the clerk proceeded to read a document conveying the information asked for by the Council on the previous day, the murmurings grew into denunciation, and the disapproval into wrathful indignation. For the Governor at least suppressed nothing. The negotiations were laid bare in which the four gentlemen had re-

quested their dismissal; their respectful acceptance of the same, and concurrent application for their pensions. And the famous minute embodying the Governor's views about the future administration of the colony was given *in extenso*. To divert the sudden outbreak of hostility, and to gain breathing time, Mr. Haines succeeded in carrying a motion that the papers received from the Governor be printed and taken into consideration at the next meeting, on 4th December. On that day Dr. Greeves voiced the strong disapproval of the Council in a motion which condemned the Governor's minute as derogatory to the rights of the people and the power of the Legislature, and covering with humiliation the Ministry who accepted office under it; and he urged the House to record its protest and censure of the whole proceedings. The debate on the motion raged fiercely through two sittings. The attack on the impeached officials was savagely personal in some cases; the defence was generally weak and equivocating, some members supporting the Executive did all in their power to divert the indignation from their friends to the shoulders of the Governor, and he was denounced and misrepresented with reckless eagerness. What an irony of fate it was that His Excellency should learn officially that his minute was declared to be "an invasion of the constitutional rights of the people" by Peter Lalor, the man upon whose head he had but so recently set a price, for conduct that did not seem to indicate intense loyalty to constitutional measures. But Peter the rebel was now Peter the people's tribune, and the coming sovereignty of the crowd loomed portentously in the long debate on the proposed vote of censure.

The tone of it dismayed the Toorak disciplinarian, and although, by voting for themselves, his Ministry escaped defeat by a majority of one, it was recognised as an ignominious victory. Sir Charles Hotham was deeply hurt at the contumely poured upon his interpretation of the newly conferred powers of Parliament, and the last weeks of his life were embittered by a feeling that he was being set aside and ignored. He had the good sense, however, to practically withdraw the offending minute, by announcing that it was merely an outline of his private views for the consideration of the Executive, and not, as had been represented, a dictation of terms.

The Council was possibly influenced in its final decision by an unwillingness to take on a new leader pending completion of the preliminaries for the New Constitution. So Mr. Haines and his colleagues remained in office, and for the next fortnight devoted their energies to pushing forward the Electoral Bill. The main contention which raged round this measure was the question of the ballot. Mr. William Nicholson, an ex-mayor of Melbourne, had moved a resolution requiring its adoption in Parliamentary elections. It was opposed by all the nominee official members, and even by such independent radicals as Fawkner and O'Shanassy. But on the 19th of December the resolution was carried by thirty-three votes to twenty-five, and in accordance with the new-born theory of responsibility, Mr. Haines, on the following day, tendered the resignation of himself and his colleagues. Secure in the possession of their nominee seats they could await developments with equanimity, and they believed that a man like Nicholson without departmental experience would certainly be unable to command an acceptable following. Reluctantly he faced the position from a sense of duty, for, unlike the average run of politicians, he had no personal ends to serve or ambition to gratify. Indeed, he had much to lose, for he had arranged for an early departure to England, and all his plans were upset by the sudden responsibility cast upon him. It was on the 21st of December that the Governor commissioned Mr. Nicholson to form a Ministry, and the Council adjourned to the 8th of January. A week, broken by the Christmas holidays, passed and no progress had been made, Mr. Nicholson having confined his overtures to his friends in the Council, and so far failed.

Apart from its political significance, the failure had painful surroundings making it memorable. The Governor was failing fast. Mental strain and ceaseless anxiety had undermined his physical frame. The real torture of nerve and brain tissue had laid hold of him; such as comes to a man who strives to do what he believes to be his duty, amidst clamorous, conflicting interests, under spiteful misrepresentation, and with a half-subdued distrust of the sufficiency of his own experience in a walk of life hitherto undreamt of by him. At the inauguration of the Melbourne Gas-

works on the 17th of December he had contracted a severe chill, which developed a low fever and physical prostration. In this condition he waited fretfully for news of Nicholson's success or failure. The tension becoming unendurable after six days of suspense, he sent a message to him requesting to be informed by the 29th instant of the result of his negotiations. They had not reached a stage that promised finality, but by the time this fact was communicated to the Governor he was far down in the Valley of the Shadow. He made an effort to grasp the situation and expressed a wish to see Nicholson, but the next morning, Sunday, the 30th of December, an epileptic seizure threw a mantle of oblivion over the troubled brain, and without recovering consciousness the wearied spirit passed "to where, beyond these voices, there is peace". The solemn presence of death, the hush of a bereaved household, toned the acerbity of political strife, and more than one journal, in black-bordered paragraphs, sought to qualify the harshness of its past gibes.

In consequence of the death of Sir Robert Nickle, the Commander of the Forces, shortly before that of the Governor, the administration of the colony fell into the hands of the senior military officer, Major-General Macarthur, a son of the John Macarthur who played so important a part in the mother-colony in the days of the tyrannical Governor Bligh. He held the office for twelve months, and it was during his interim administration that the legislative work of launching the New Constitution was completed. He was unversed in politics and uninterested in constitutional lore. Hence, his so-called Government was practically a reflex of the wishes of his Executive, still largely dominated by the masterful Attorney-General, Stawell.

On the reassembling of the Council, Mr. Haines stated that the resolution in favour of the ballot not having been supported by the appointment of its advocates to the Executive, he proposed to disregard it. Under pressure of a hostile majority, however, he finally agreed to make it a non-ministerial question, and when the Electoral Bill got into committee Mr. Nicholson succeeded in carrying all his points.

Long and tedious as had been the preparation of these pre-

liminaries to taking the voice of the people, they were found, when the elections came on, to be wofully incomplete. The electoral rolls cost over £60,000 in their compilation, and as far as the goldfields were concerned it was largely wasted money. The excitement was mainly confined to the Metropolis and its suburbs, and to Geelong. The demand for the franchise, which had been one of the grievances promoting the Ballaarat outbreak, had died away with the abolition of the oppressive licence fee, and it was computed that only about one-eighth of the registered miners took the trouble to record their votes. Five of the candidates for the Council and a dozen for the Assembly were allowed a walk over. On the other hand, so little discrimination was shown in the selection of seats that no less than twelve candidates went to the poll for the County of Talbot, entitled to return two members. Some members duplicated their chances, and wooed more than one electorate—John O'Shanassy was elected for Melbourne and for Kilmore; David Blair contested Emerald Hill and Talbot, and won a seat in the latter constituency; John Thomas Smith and T. H. Fellows, who were returned respectively for Melbourne City and St. Kilda, were also defeated candidates to represent the Central Province in the Legislative Council.

The voting was largely controlled by personal feeling and private influences, for there was no stirring party cry in the ascendant, and the quieting effect of the voting by secret ballot made strongly for orderliness in the proceedings. In the urban districts, however, the wire-pullers of political strife were not idle. Geelong in particular took the lead by organising a strong "Reform Association," and the example was followed in Melbourne, Collingwood and Richmond. Differing somewhat in the extent of their demands their aims were practically identical, and the object was to ensure the return of members pledged in advance to important alterations in the new-born Constitution.

Yes, an ante-natal inquest sat on the coming emancipation and denounced it, root and branch. The conception of free institutions which to the old settlers of the days of a military bureaucracy seemed as a vision of the New Jerusalem excited the hostility and the derision of the men of a later generation.

For many of them had seen, in the tumultuous times of 1848, a red radicalism, touched with anarchy, sweeping over Europe; had imbibed in their early manhood the dreamy aspirations of the stirring Chartist movement; and now, in their later restless, self-contained, possibly even somewhat riotous, life on the diggings, they were disposed to assert themselves, and claimed to enjoy a liberty based on their own idea of that inestimable blessing. The five years' work that had followed close on Separation; the revisions by politicians of experience and statesmen of eminence; the debates in the British Parliament, the downfall of Latrobe, the wrecked career of Hotham, all these ingredients in the manufacture of this Charter of Representative Government were forgotten, or ignored, and the self-constituted Reformers who sought to control the elections saw nothing but its blemishes and its hopeless shortcomings. They had no faith in the tedious teachings of experience, no understanding of the proverb that counsels to hasten slowly. They cried for the full and immediate fruition of democratic principles, and they were prepared to believe that the truth—but only as they understood it—could make them free. Therefore, amongst them they demanded many things, but as a rule they were agreed to insist on—

Manhood suffrage.

Perennial Parliaments.

No property qualification for members.

No compensation to the squatters.

Abolition of State aid to religion, and compulsory free secular education.

With such texts to adorn their manifestoes they had plenty of opportunity of hectoring candidates, and they brought forward many a windy demagogue to ensure a lively contest. But the delays over the compilation of the rolls and other matters were so tedious that many of the candidates were courting the electors for months, and before the polling day arrived the Reform Associations were so rent by internal dissension as to be of little service in organising matters. The result was that in some cases members were returned unopposed, without addressing a single meeting, and in others a ridiculous scramble took place, as indicated in the election for Talbot.

When the result of the elections was published in the *Gazette* of 6th November, 1856, it was seen that out of thirty members elected to the Upper House of the Legislature, one-third had previously served in the old Council, either elective or as nominees. The remainder, owing to the heavy property qualification, were mainly representatives of the mercantile and squatting interests, but in the whole twenty names there is not one that left any impression upon the legislation of a momentous period. In the Legislative Assembly the proportion of experienced politicians to the freshmen was about the same, there being quite twenty members who had played their part in the old Council, some of them with vigour and originality. Naturally, it was towards this branch of Parliament that the more ambitious, as well as the more capable, turned their attention.

Here were found such men as W. F. Stawell and T. H. Fellows, destined for the Supreme Court Bench; W. C. Haines and John O'Shanassy, the oft-contending Premiers; H. C. E. Childers, Archibald Michie, Charles Sladen, George Harker, J. M. Grant, Peter Lalor, J. B. Humffray, B. C. Aspinall, and many others who gravitated into important Ministerial office. J. F. L. Foster, the discredited Colonial Secretary, was returned unopposed for Williamstown, but amidst the new political elements of the House he failed to acquire his former prestige, though he acted as Treasurer for a few weeks in one of O'Shanassy's short-lived administrations. The press was directly represented by Ebenezer Syme and David Blair, and indirectly by at least half a dozen energetic barristers, who found journalism a very profitable interlude to the study of briefs. On the whole, it was a chamber exhibiting a very fair quality of debating power and initiative, and when, as shortly happened, it was weeded of a dozen or so of nonentities, who had floated in under the unregulated process of selection, and their places were filled by men of the stamp of James Service, James McCulloch, Richard D. Ireland, C. H. Ebden, Richard Heales, and others who had shown a masterful grasp of their own business or professional avocations, it reached a level of capacity rarely equalled in the latter years of its existence.

Villiers and Heytesbury, a sparsely populated electorate in the

west of Victoria, distinguished itself by returning a man who was responsible for much political turmoil during the twenty-two years he occupied a seat in Parliament. He filled in turn various Ministerial offices, up to that of Premier, until he at length secured the lucrative dignity of Speaker, and subsequently enjoyed his leisured retirement as a life-long pensioner of the Crown, which for a whole generation he had denounced as the emblem of oppression and tyranny.

This was Mr. Charles Gavan Duffy, an ex-member of the House of Commons, in virtue of which experience he early assumed the rôle of Master of the Ceremonies in the conduct of the business of local legislation. His coming had been heralded by much ingenious advertising, in the form of inspired newspaper paragraphs, detailing his latest movements in Great Britain. Every Irishman in the colony was led to look forward to the advent of this prominent champion—the glamour of whose patriotism was somewhat tarnished in the eyes of his home associates—as the harbinger of an era of Liberty, Equality and Fraternity, which the unthinking and the emotional are ever clamouring for, without realising how the pages of history are full of the records of its failure to supplant the instincts of human nature.

It is amusing to read in Mr. Duffy's autobiography[1] of the many people he consulted about Australia before deciding to emigrate. Mr. Latrobe, Robert Lowe, William and Mary Howitt, and others who had lived under Australian skies, commended the step, and were unanimous in their praise of the climate and the unconventional freedom of colonial life. But apparently the man whose opinion had most weight was Edward Whitty, a well-known writer, about that time acting as the London correspondent of the Melbourne *Argus*. He claimed to know "nearly everything about Australia," and he wrote to his friend with prophetic fervour, "your progress would be historical; you would lead the colony; you would create a better Ireland there; you would become rich". The vision was largely realised. The opportunity was afforded him, as Premier, of leading the colony. If he did not make

[1] *My Life in Two Hemispheres.* By Charles Gavan Duffy, London, 1898.

Australia a better Ireland, which sounds rather equivocal, he certainly made it a better place for a great many Irishmen who swarmed into the Civil Service under his patronage. And he became rich, by the generous contributions of his admirers, the handsome payments for his political services, and the easy opportunities offered in all new countries of securing a share in the unearned increment in the value of property.

If Mr. Duffy's modesty was shocked by this extreme tribute to his merits, he must have recovered his equanimity when he experienced the reception accorded to him when the *Ocean Chief* dropped anchor in Hobson's Bay in January, 1856. The Irish colonists were greatly agitated by the prospect of securing the services of so noteworthy a leader. Mr. O'Shanassy led a large deputation on board to offer him words of praise and welcome. From all quarters addresses of adulatory congratulation poured in upon him. One from Sydney, headed by Mr. Henry Parkes, urged him not to commit his future to Melbourne, but to make the mother-colony the scene of his coming triumphs. A public banquet followed close upon his landing at which the wildest enthusiasm was displayed, intensified by his long-remembered declaration that he had no apology to offer for any act of his past life, and that he was still "an Irish rebel to the backbone and spinal marrow".

But he assured his new admirers that he was weary of political life, and desired to devote himself to the practice of his profession at the Bar. In any case he was not prepared to reconsider this decision until he had learned something practically of his new environment. It is not surprising that the hero-worship of which Mr. Duffy was made so prominent a centre led him to suppose that the colony was destitute of men of political ability, or even of patriotism. Many who freely admitted his intellectual qualities and high literary reputation were repulsed by the assumption in some of his speeches that his brief experience in the House of Commons gave him the right to be only sarcastically tolerant of the amateur legislators who had never seen a real Parliament. A few days after his arrival, when he was introduced as a visitor to the Legislative Council by Mr. O'Shanassy, he took exception to a Bill regulating the admission of barristers to the Supreme Court, which Mr. Fellows was then sub-

mitting, on the ground that it required candidates to take the Oath of Supremacy, which he declared would exclude him from practising in Victorian Courts. And he succeeded in getting the Bill withdrawn. In his autobiography he instances this "blundering" to illustrate his contention that "as not one of these legislators had ever seen a Parliament, business was necessarily conducted somewhat at random". And yet it was a notorious fact in 1857, that the first Act which Mr. Duffy carried in the Assembly, that for the abolition of the property qualification of members, was so incorrectly drawn as only to abolish one part of the qualification, that of the freehold estate, leaving the alternative leasehold revenue of £200 per annum untouched.

Before deciding on his future Mr. Duffy took a trip to Sydney, where the adulation of his countrymen carried them so far that at a public banquet tendered him the customary toast of the Governor was withdrawn from the programme as a condition precedent to the guest's acceptance. The reason assigned by Mr. Duffy was that Sir William Denison, in his preceding office as Governor of Tasmania, had been the official custodian of Smith O'Brien, Meagher, and the other banished Irishmen with whom Mr. Duffy had been so unsuccessfully associated. Even Dr. Lang, who was a perfect fanatic in his distrust of Irish Catholics, is said to have joined in the desire to keep Mr. Duffy's services for New South Wales, and Mr. Henry Parkes offered him £800 a year to remain and edit the *Empire* newspaper. But he resisted all these blandishments and made his way back to Melbourne, where something still better awaited him. His admirers were determined to have him in the new Parliament, and to overcome the difficulty of a property qualification they set about collecting funds with such assiduity that in a few months they had £5,000 in hand, of which some £2,000 came from New South Wales. One-half of this they invested in a freehold estate at Hawthorne, a pretty Melbourne suburb, and at a public meeting on the 20th of August he was presented with the title deeds of his qualification. Mr. Duffy responded to the generous words of the chairman, Mr. O'Shanassy, that the munificence was without parallel in the history of the country, and was accepted by him as "a noble retaining fee to

serve the interests of Australia". His speech was a fine rhetorical effort, fully charged with burning denunciations of alleged attempts to prejudice his candidature by unworthy appeals to sectarian prejudices. He was followed by B. C. Aspinall, J. M. Grant, Wilson Gray, and other speakers who joined in prophesying great things for the first free Parliament of Victoria under the stimulating influence of their eloquent guest.

The long looked-for day arrived at last when the business of the country was to be undertaken by the selected ninety, and on the 21st of November they gathered in the unfinished chambers of the handsome building in course of erection, and were duly sworn in by Judges Barry and Williams. In the Council Dr. J. F. Palmer was unanimously chosen as President, but in the Assembly there was a contest for the position of Speaker, which mainly turned on a novel point of Parliamentary ethics. The candidates, Dr. Murphy and Mr. Griffith, had both held office in the old Council. The former gave an unconditional promise that if elected to the chair he would abstain altogether from debate. Mr. Griffith, while fully admitting the impropriety of the Speaker being a partisan, declined to pledge himself to a course which he thought might disfranchise his constituents. Dr. Murphy won the position, and gave such satisfaction that he held it almost continuously for fifteen years. The formal opening of the session by a speech from the Acting Governor took place on the 25th of November. On this occasion Mr. Duffy made a characteristic stand. The Chief Secretary informed the House that the Governor would "command" their attendance on his arrival. Mr. Duffy, after consultation with the Speaker and Messrs. O'Shanassy and Chapman, "frankly told the official leader of the House that this phraseology could not be permitted," and, he adds, "after some negotiation, the Governor 'requested' our attendance".

The supremacy of the people through their representatives, indicated in this brief interlude, was the key-note of much that followed. It continued to assert itself through succeeding legislation until all restraint, except the power to coerce the Upper House, was swept away. The demands of the more radical democrats were, one after another, acceded to. When the property qualification for

the Assembly was abolished; when universal manhood suffrage was the law of the land; and when payment of members had evolved a race of professional politicians, then the curb of a chamber of review, admittedly in the interests of property and conservative legislation, became an intolerable burden to those ardent reformers who desired to make all things pleasant to themselves and their contemporaries, at the expense of an unconsidered posterity. The turmoil of Victorian politics, from the date of its first Parliament to the end of the century, hinges mainly on the repeated attempts of the Assembly to coerce the Council into accepting the decision of the popular chamber as final. Though there were many compromises and, later on, some constitutional changes which gave the Council a much wider constituency, the antagonism between the two branches never permanently ceased. There was always smouldering fire ready to break out into sudden flame at any supposed invasion of rights; and when such invasion was unmistakably made, and resisted by the Council, attempts were too often made to inflame the masses against the tribunal specially appointed to prevent hasty and ill-considered legislation, by branding its members as selfish obstructionists of the people's will.

The Parliament which assumed the control of Victoria's destiny in 1856 had a magnificent endowment. The country was practically free from debt, though it had spent £2,200,000 on roads and bridges, about £650,000 on water supply, and £1,500,000 on other public works. It had established a system of primary education, which, though dealt with by two rival Boards, had spread some 400 schools over the land, and registered fully 25,000 scholars of all ages. It had commenced academic life in its University, under the guidance of eminent professors, attracted from the venerable seats of English culture by liberal *largesse*. It had opened the doors of its Public Library in Melbourne, free to all mankind to make acquaintance with its rapidly accumulating stores of literary treasures. It had generously and equitably endowed the practice of public worship on a basis of true Christian toleration. And all these creditable measures of progress had been paid for out of income, not with borrowed money. A prosperous and energetic population, numbering close on 400,000, enjoyed a national revenue of £3,000,000, based on a

moderate and simple tariff; and for the year in question there was a surplus over expenditure of some £80,000. The depression of 1854 had been surmounted. Wages had declined from the top figures of the gold-fever era, but they remained, in comparison with England, attractively high; work was abundant, food cheap, and artisan and shopkeeper had alike cause for thankful contentment.

And beyond all this substantially solvent state of things there was the lordly domain of 56,000,000 acres of freehold land, of which only some 4,000,000 acres had been alienated at that date. It had the latent possibilities of almost incalculable wealth, both on and below the surface, and it had been surrendered unconditionally by the Crown to whomsoever the people should select to manage it. That management involved prolonged and acrimonious discussion, cost many changes of Ministry, led even to rioting in the streets of Melbourne in the effort to coerce Parliament. Generally this grand asset was a source of frequent political trouble until the bulk of the most fertile areas had passed into private hands. Then it was discovered that they had been parted with at a price infinitely below their value, and that, despite all precautions, the sacrifice which was ostensibly intended to benefit the typical "poor man" had, as usual in the working of such laws, eventuated in substantial gain to the capitalist. But these troubles were hidden in futurity, and the probability of their arising would doubtless have been scornfully rejected by the elated band entering into possession in 1856. For such a start in the national life of a community is almost unique in the world's history. Had this noble heritage, these magnificent assets, been handled with such forethought and prudence as a private owner usually bestows on his property, Victoria might to-day be one of the most prosperous countries in the world, maintaining her freedom from debt, and even able to dispense with the operations of the tax collector. Unhappily, the records have to tell a much more discouraging tale.

CHAPTER IV.

THE ADMINISTRATION OF SIR HENRY BARKLY, 1856-1863.

Within a month of the opening of the new Parliament, the first constitutional Governor arrived to look after it. The mail steamer *Oneida*, which anchored in the bay on Thursday evening, the 23rd of December, 1856, took the colonists by surprise, having completed her voyage in the then unprecedented time of sixty-four days from Plymouth. No preparations had been made, and no demonstration awaited the Queen's representative, Sir Henry Barkly, K.C.B., greatly to his own satisfaction, for the grotesquely effusive but shallow plaudits with which Sir Charles Hotham had been greeted would have jarred upon his more retiring nature. He was a man cast in a different mould from his predecessor. A civilian, who had graduated in Parliamentary life as a vigorous supporter of Sir Robert Peel, and had acquired valuable experience as the Governor, first of British Guiana and subsequently of Jamaica. In the latter post, under conditions of exceptional difficulty, he had inaugurated a Constitution which for many years conferred peace and prosperity on one of the most turbulent of Great Britain's dependencies. His transfer to the important position of Governor of Victoria, at the handsome salary of £15,000 a year, was admittedly in recognition of his valuable services to the Crown, and during the seven years of his residence in Victoria he fully justified his promotion by the firmness and sagacity with which he handled the conflicting political interests coming within his province, and by his careful abstention from anything that could be regarded as trenching upon the functions of his advisers. Sir Henry was in the prime of life, in his forty-first year, when he landed in Melbourne; a tall, handsome man, of cultivated tastes, with a considerable store of scientific knowledge, and a thorough grounding in those principles of political economy and con-

stitutional law in which his predecessor had been so deficient. In comparison, too, with Sir Charles Hotham, his generous hospitality and social leadership were a source of admiration to the colonists, for while he entertained freely he never made any attempt at courting personal popularity. His services were, however, always readily available in public movements having philanthropic aims —for social progress or intellectual culture; and his speeches on such occasions were invariably thoughtful in substance and happy in form. But his natural inclination was towards privacy, and a carefully controlled reticence. In some quarters, and especially in the Civil Service, this characteristic led to the assumption that his dignity was cold and unsympathetic, an opinion which his private charities belied. It had the undoubted advantage of saving him from those ungenerous press taunts which had embittered the days of his predecessors, and to which all men in public life, who are injudiciously free of speech, must be occasionally liable.

Landing without ceremony on the 24th of December, the Governor was permitted to enjoy the privacy of his Toorak mansion over Christmas. On Boxing Day he had to face the ordeal of being "sworn in" with some show of ceremony, but it was not the occasion of a demonstration, and the press commented upon the fact that His Excellency secluded himself in the procession in a closed carriage. Perhaps he had heard how the fickle mob that prostrated themselves before Sir Charles Hotham had readily turned to abuse him when they failed to get all they wanted, and Sir Henry had no wish to win their superficial applause by feigning delight at making their acquaintance.

But when ceremony was over he set himself to work to master the official routine, and to study the members of the Cabinet, with whom, as President of the Executive Council, he would now have to act. He was destined to see, during his seven years of office, no less than eight changes of Ministry. Though the elections had been free from any special party issues, the discussions in the Assembly had not lasted a month before party lines were formed, based, it is true, to a large extent on personal grounds, and a distinct Opposition, mainly controlled by O'Shanassy and Duffy, took up the rôle of Ministerial critics. The existing Cabinet was

regarded as staunchly conservative, though it is very doubtful if its policy would have come under that definition in England. For it had promptly carried a most liberal decentralising Act for the establishment of municipalities throughout the country, and made generous provision for the assistance of desirable immigrants from Great Britain. Further, the Surveyor-General had submitted regulations for the control of the Crown lands, which proposed to deal with the squatting tenure on lines that would bring a largely enhanced revenue to the Treasury. On the other side, the Opposition claimed the right to be called "liberal," because their chief aim was to widen the franchise, and to bring the influence of the popular will to bear with ever-increasing force upon projected legislation. But they were disorganised and outnumbered by the Ministerial supporters, though more than once, in a thin house, the Opposition snatched a victory, which was not followed by a resignation.

Mr. Duffy's Bill for the abolition of members' qualifications was carried in spite of the unconditional opposition of the Ministry. Immediately afterwards, in discussing the Supply Estimates, a payment that had been made by the Chief Secretary to a civil servant by way of compensation for loss of salary was directly negatived. Mr. Haines adjourned the House to consult his colleagues as to the propriety of resigning after these consecutive rebuffs. Consternation seized upon his supporters, who vigorously asserted that they had every confidence in the Ministry, and did not consider that their adverse vote in such a matter involved the general question. Even the *Argus* next day condemned Mr. Haines for his threat to resign, when he ought to know that a majority of the House supported his general policy. So he relented, and continued to occupy the Treasury benches for a few weeks longer.

The Immigration Bill was, in a double sense, the cause of his eventual displacement. It proposed to establish a new department of the State, and to supersede the Emigration Commissioners who acted for the colony in England. It provided several well-paid official openings, that of the Chief Emigration Agent in London being worth £1,200 a year. It suited Mr. Childers, who desired to return to England, to accept the offer of it, and in February he

retired from the Cabinet. Simultaneously the long-pending resignation of Sir William A'Beckett, whose health had broken down, was accepted, and Mr. Attorney-General Stawell was transferred from the political arena to the Bench as Chief Justice. The Ministry had thus lost two of its strongest men, and now was the time for the Opposition to try conclusions. On the 3rd of March, 1857, Mr. O'Shanassy carried a resolution censuring the Government for having obtained a vote on account of immigration for £150,000 more than they intended to spend. Explanations were offered, which to the unbiassed appear reasonable, but the House would not accept them, for the misappropriation of grants under former Governments had been notorious. So the Ministry resigned.

The experiences of Mr. O'Shanassy in his effort to find capable and acceptable colleagues, in accordance with the Governor's commission, were painfully discouraging. The financial, mercantile and squatting classes were all in silent opposition to giving an untried man the control of their destinies. The capacity which he afterwards developed for broad views of general politics and strong administrative control were unsuspected. He was then only known as a man who, but the other day, kept a small draper's shop in Elizabeth Street, trained for public life in the turbulent atmosphere of the City Council, and suspected of being in league with the irreconcilable Fawkner against all squatterdom. Yet he had been elected to Parliament by two widely differing constituencies, winning his seat for Melbourne with less than a hundred votes behind the Attorney-General, Stawell. But his fellow-members did not endorse the confidence of the electors. Mr. Michie and Dr. Evans in turn refused his offer of the position of Chief Law Officer, Mr. James McCulloch and Mr. David Moore also declined his overtures, and he had to meet Parliament with a scratch team, which the House resented at sight. The two of his colleagues who roused the bitterest antagonism were Mr. Duffy as Minister of Lands, and Mr. Foster as Treasurer. The former had incurred the personal dislike of a large number of members by his persistent dictation and querulous fault-finding. Outside the House the intemperate advocacy of his partisans had the effect of raising a somewhat unjust but very marked hostility to himself and distrust of his

policy. The selection of Foster as Treasurer must be regarded as a case of "Hobson's choice". More than once in the old Council had O'Shanassy denounced him as quite unreliable, and his downfall as Chief Secretary had met with universal applause.

Mr. Chapman, the Attorney-General, Mr. Greeves, Commissioner of Customs, and Mr. J. D. Wood, the Solicitor-General, were all defeated at the polls, though the latter subsequently secured a seat for the Ovens electorate. When the successful fragment of the Ministry met the House on the 15th of April, it was blocked on the threshold by Mr. T. H. Fellows, who bluntly proposed a resolution that they did not possess the confidence of Parliament. In a clever speech he anatomised Messrs. Foster, Duffy and Greeves, and although the two former spent several hours in vindicating themselves, and the debate, which involved an all-night sitting, had to be adjourned, the resolution was carried on the 22nd by thirty-four votes to nineteen. Mr. James Service, who had just entered Parliament as member for Melbourne, in succession to Mr. Stawell, seconded the resolution, but he was not called upon to take part in the new Cabinet.

The formation of the third Victorian Ministry was entrusted by the Governor to Mr. James McCulloch, who inclined towards coalition, but his overtures to Mr. O'Shanassy were not successful. He finally arranged with Mr. Haines to resume office as Chief Secretary, took the Customs himself, and was joined by Mr. C. H. Ebden as Treasurer, and Messrs. Michie and Fellows as the Law Officers, those gentlemen being then the prominent leaders at the Victorian Bar. Mr. (afterwards Sir James) McCulloch, the new Minister of Customs, who had been a nominee member of the old Council, was a shrewd Scotchman, of considerable force of character, the local partner in an important firm of British merchants. He was a dominant figure in Victorian politics for more than twenty years. He subsequently filled on several occasions the position of Premier, holding that office altogether for a period of nine years, a term not approached by any other Victorian politician.

Though most of the members of the new Ministry were opposed they were all returned, and a strong majority of the colonists indicated their approval of the Cabinet. But there was a violent display

of ruffianism at the elections, and faction fights raged even around the precincts of Parliament. The threatening language and aggressive attitude displayed at the public meetings held by the so-called "liberal" party, of which Wilson Gray was the chief organiser and Charles Jardine Don the fiery orator, alarmed the more sober citizens. As the franchise was as yet confined to those who had some abiding interest in the country, the formation of a strong Ministry, pledged to many reforms and generally progressive legislation, gave them hope of a cessation of political strife, without which progress was impossible.

On the day when Mr. O'Shanassy was challenged by the hostile vote, the Governor sustained a sad bereavement in the death of his wife a few days after she had given birth to a son. Although her brief residence of some three months in Victoria had not made her well known to the colonists, the deceased lady had been greatly loved in Jamaica, and the genuine sympathy of all classes was offered to His Excellency at the desolation which for a second time had fallen upon the Toorak House in the short history of its occupation.

The two principal features of Parliamentary work in 1857 were the abolition of the property qualification for members, which though passed by the Assembly in February did not reach its final stages elsewhere until August, and the committal of the colony to universal manhood suffrage on the 21st of November. The latter measure, however, could not come into operation until an amendment of the Electoral Act provided the machinery for taking so largely extended a vote. The decision of Parliament on this subject was called into question by Mr. Edward Wilson, the proprietor of the *Argus*, who in May, 1857, addressed a lengthy letter to his paper maintaining that the principle of manhood suffrage, unaccompanied by any other electoral qualification, would result in a pure class government, and eventually in a tyranny of labour as the dominant element in the population. The tone of the letter was prophetically pessimistic, and the writer's only suggestion for avoiding the evils which he anticipated was in the independent representation of some six or eight leading interests of the colony, indicating the squatters, miners, landowners, farmers, manufacturers, merchants and manual labourers. The proposal to form a House consisting of seven or eight representa-

tives of each of these bodies was original, if somewhat fantastic, but there were practical difficulties in the way of compiling so many separate electoral rolls, and the idea was not taken seriously. It is curious to note that even on the question of manhood suffrage the *Argus* pronounced against its proprietor, and the editor, then Mr. George Higinbotham, wrote leaders in opposition to Mr. Wilson's views, which he rejected decisively, though not by any means with convincing logic.

But the great political struggle of the year raged round the Crown Lands Bill, introduced by the Haines Ministry in June, and forming the staple matter of hot debate until September, when it passed the third reading by the small majority of seven. Mr. O'Shanassy, Mr. Duffy and Mr. Ireland were its most vehement opponents, on the ground that it was too favourable to the squatters. Mr. Aspinall moved that as the House was elected by less than half the male adult population of the colony, it was unjust to entertain the question of the settlement of the public lands till after the election of a reformed Parliament by the whole body of the people. The proposal was negatived, and then another attempt was made to have it declared that the votes of members who were squatters should not be received, as they were personally interested in the result. But all the protracted and acrimonious discussion was wasted, for when the Bill reached the Council it was rejected by twenty-one votes to six, on the motion of Mr. Fawkner, seconded by Mr. Henry Miller. Mr. Haines did not feel that this defeat called for his resignation. The Bill had been so altered and amended in the Assembly as to be hardly recognisable as the Ministerial measure, and he declared that many other matters, urgently calling for settlement, were too important to be jeopardised by his retirement.

The Ministerial respite, however, was not for long. On the 23rd of February, 1858, a resolution by Captain Clarke, condemnatory of one of the schedules of the Government Bill for increasing the number of members of the Assembly, was carried by a majority of twenty-six to seventeen, and Mr. Haines and his colleagues once more resigned. Captain Clarke declined the responsibility of forming a Ministry, contending that his adverse vote upon an unimportant point did not justify the resignation of the Ministry. The Governor

then addressed himself to Mr. Chapman, who readily undertook the duty, and when the House met, on the 8th of April, that gentleman appeared as Attorney-General, with Mr. O'Shanassy as Chief Secretary, Mr. George Harker, a retired grain merchant, as Treasurer, Mr. R. D. Ireland as Solicitor-General, Mr. Henry Miller in charge of the Customs, and Mr. Duffy back in his old place at the Lands Department. Much indignation was expressed in the House and out of it at Mr. O'Shanassy taking office with the party that had overthrown the Ministry with which he had voted on the test question. It was alleged to be against all precedent and subversive of party Government. In his vindication he pleaded that he had only accepted the position under great pressure, and after repeated refusals.

The session came to a close on the 4th of June, after nineteen months of almost continuous sitting. It had been singularly barren of beneficial legislation. Ignoring the failure of Mr. Haines' measure, Mr. Chapman submitted a new Bill for a redivision of the electorates, and an increase of the members from sixty to ninety. Its consideration formed the chief work of the Assembly for a couple of months, and it evoked an immense number of petitions and formal demands from meetings under the auspices of "The People's Convention," an irresponsible outside parliament that made the Eastern Market a lively arena of debate during these years. In committee the number of members was increased to ninety-three, and the Bill passed without a division. But it was thrown out in the Council by fourteen votes to twelve, although it in no way trenched upon the privileges of that House, or contemplated any alteration in its numbers.

The third session opened on the 7th of October, and the Governor's speech intimated that the failures of the preceding session were again to be taken up. When the Bills for altering the electoral districts, increasing the number of members, and shortening the duration of Parliaments from five to three years, were passed, a dissolution of the Assembly would be necessary to bring those changes into operation. To expedite the passage of these clamorously demanded measures of reform, no other important legislation would be submitted, it having been tacitly agreed to leave the

burning question of land settlement to the enlarged Parliament. The session lasted five months, and dealt with the special matters referred to it much after the manner of preceding efforts. The electoral boundaries were fought out at tedious length, almost every member having some alteration to press, and by the time the Bill reached its final stages, the ninety-three members originally proposed had been reduced to seventy-eight. This reduction in numbers apparently mollified the members of the Council, for they not only passed the Bill very promptly, but in consideration of their privileges not having been attacked, they added four new clauses, largely reducing the property qualification of the electors of the Council, and extending the franchise to the learned and professional classes, irrespective of property. The Assembly readily accepted the additions, and the Bill became an Act, to come into force on the 1st of May following. The remaining measures of the session were formal or unimportant, and the first Constitutional Parliament of Victoria was dismissed by the Governor, with the usual complimentary phrases, on the 24th of February, 1859.

The alterations of the electoral machinery took a long time, but the compilation of the rolls was less costly than in 1856, for the new Act, while extending the franchise to every adult male not specially disqualified, required those who were not on any ratepayers' roll to take the trouble to register their own claims, and obtain a certificate of their right to vote. The value set upon this right, as indicated by the indifference of the nomadic element in the colony, seemed very small. The Reform Associations and Land Conventions, and other democratic leagues, which were such notable factors in political life in those years, found a large portion of their energy had to be expended in getting the indifferent registered, and subsequently in hunting them to the polls. In the Metropolis and suburbs these organisations exercised a considerable sway, and used it with success, for the second Parliament of Victoria, which assembled on the 13th of October—the product of the first trial of manhood suffrage—contained a distinctive number of members pledged to the support of special class interests.

During the recess the bond of friendship that had united Duffy to O'Shanassy was severed by many repeated frictions, and he

had resigned his office as Minister of Lands before the general election. Looking back upon this episode in his career, he says in his autobiography with charming frankness: "In the Government I gradually found my opinions were not in a majority, and that there was apparently a jealousy of the individual position I occupied in public life, as a man of a certain experience and knowledge!"

When the House met the Ministry found themselves in a hopeless minority, and they were immediately confronted with an amendment on the reply to the Governor's speech, which explicitly declared that neither the House nor the country had any confidence in his advisers. Mr. Duffy declined to vote on the motion, but he filled fifteen columns of Hansard in detailing his grievances against his late colleagues. Mr. O'Shanassy occupied nearly as much space in his answer, but the whole community was indignant at the pitiful insufficiency for so much recrimination. Mr. William Nicholson, who had moved the hostile vote, carried it by fifty-six votes to seventeen, after a debate extending over four sittings, and the Governor consequently commissioned him to form a Ministry.

He assumed office on the 29th of October with a fairly strong team, including Mr. James McCulloch as Treasurer, and Mr. James Service in charge of the important department of Crown lands. His Law Officers were rather weak, but to compensate for this he had secured the services of Mr. Fellows in the Upper House, as an honorary member of the Cabinet. It shows how vaguely party lines were then recognised, that Mr. Nicholson offered Mr. Duffy once more the position of Minister of Lands, but that gentleman stipulated for the right to name two or three of his colleagues as the price of his adherence, and this demand the remainder of the Cabinet would not concede.

The Nicholson Ministry lived just thirteen months, and it succeeded in passing a Land Act that was speedily recognised as a deplorable failure, having neither a guiding policy nor any continuous principle of action. In justice to Mr. Service, who introduced the Bill, it must be said that the final measure which passed in September, 1860, was almost unrecognisable as the outcome of the Bill submitted by that gentleman in the previous January. It

was to a large extent based on the popular demand, as voiced by the speakers of the "People's Convention". Its fundamental principle was the entire abolition of sale by auction for country lands. In lieu thereof it proposed the immediate survey of 4,000,000 of acres of farm lands in blocks of from 80 to 320 acres, available to any applicant at the uniform price of £1 per acre. The date on which applications would be received for such lands was to be advertised for a month, and if more than one person claimed an allotment it was to be sold by tender, as between the applicants only. Any one thus securing an 80-acre block was entitled to purchase at the same rate, or to lease at 1s. 6d. an acre per annum, the remainder of the 320 acres of which it formed a part, with exclusive right of purchase during currency of lease. This was a modified concession to the demand of the Convention for deferred payments. To ensure that the applications were *bonâ fide* for use and cultivation, and not for profitable resale to the neighbouring squatters, the successful selector had within the first year to effect improvements to the value of at least £1 per acre of the purchased land. If he failed to do so the leasehold tenure was forfeited, and if within two years the required improvements were not effected, he became liable to a penalty of 5s. per acre, at the suit of any common informer. In spite of all the sympathy in the House, and by the Convention outside, it was evident that the typical "poor man," with whom it was desired to supplant the rapacious squatter, did not command the confidence of his political friends. His honesty in the face of temptation was of so doubtful a quality that the forty-ninth clause of the original Bill imposed a penalty of £200 upon any selector who should within one year after purchase enter into any agreement to sell or mortgage such allotment, or borrow money upon its security.

The Bill did not go far enough for the Convention party, who demanded free selection before survey, deferred payments, the abolition of all squatting tenure, and free commonage throughout the colony over all unalienated lands of the Crown. It did not please the Legislative Council because it left the claims of the pastoral tenants untouched, to be dealt with in a separate measure. Wilson Gray and Charles Jardine Don, the leading spirits of the

Land Convention, were now members of the new Parliament, and joining forces with Mr. Duffy, Mr. Heales, and some of the extreme radicals, they attacked the Bill with incisive vigour. So many amendments were made in committee of the Assembly that by the time it was sent to the Council it had become a thing of shreds and patches; and so many clauses were altered there that Mr. Nicholson felt constrained to disown the changeling, and to tender his resignation. This the Governor declined to accept, believing that as the Bill had been passed by a substantial majority in the Assembly, it would be impossible for any member of the Council to form a Ministry strong enough to carry on the business of the country. Further, he was of opinion, as the result of conferences, that some of the opponents of the Bill in the Council were willing to reconsider their amendments to bring them in line with the Assembly. So he asked Mr. Nicholson to persevere with the Bill by means of a conference with the Council. This was done, and the proposed Act was banded about between the two Houses for over four months, suffering in all over 250 amendments of its original form, until after compromises on both sides it emerged in legally complete, but sadly mutilated form, and became law on the 18th of September, 1860.

Useless and unworkable as the Act proved to be, it is probable that no measure was ever carried through Parliament with more stormy debate and struggle, both within the House and without. During the latter months of the discussion the "Victorian Land Convention" held high festival in the Eastern Market reserve, and on the 28th of August a clamorous mob invaded the Legislative Chambers during the sitting of the House. They burst in a door, drove back the few policemen on duty, demolished some of the windows of the library with a shower of stones, and violently assaulted two or three members whom they supposed to be identified with the pastoral interest. The Mayor was summoned and read the Riot Act, and a troop of mounted police finally drove the crowd out of Parliament Yard. Not however without some casualties, at least half a dozen constables having sustained more or less serious wounds from the flying missiles. Messrs. Wilson Gray and C. J. Don were directly charged by many members with having instigated

the proceedings, and though they persistently denied the use of specific language attributed to them, the House declined to accept their denial. There is no doubt, on the evidence, that their bitter denunciations of the squatters, and their inept pandering to class prejudices, had raised a Frankenstein they were powerless to control. Their followers demanded the expulsion of a class of their fellow-colonists who had built up an industry under conditions of courageous enterprise and at personal risk of life and property. An industry that was now helping Victoria to pay its way by contributing annually £250,000 in rentals to the Treasury, and providing, even then, exportable products of the value of over two and a quarter millions sterling annually for the maintenance of the colony's credit in the London market.

The increasing violence, the ignorant class hatred displayed by these noisy organisations, showed how easily a mob is led to champion a cause of which it really knows nothing, except from the inflammatory utterances of its leaders. These proceedings gave, indeed, a dismal forecast of the working of manhood suffrage, that was to leave the final power in the hands of those so easily led by skilled demagogues who had their own ends to serve.

As a consequence of the serious disturbance, Parliament, on the following day, passed through all its stages an "Act to protect the freedom of the deliberations of Parliament, and for the prevention of disorderly meetings". It was carried without a division in the Assembly, and in the Council by a majority of sixteen to two. It prohibited the assembling of persons in public meeting within a defined area, extending to about the eighth of a mile in each direction from Parliament House; but as the western boundary was Stephen Street, it left the Eastern Market still available for the popular Forum.

The Assembly had been prorogued after passing the Land Act until the 20th of November, and when the Nicholson Ministry again met the House they were in poor favour. Mr. Service had resigned the control of the Lands Department in disgust at the treatment his Bill had received. Mr. Francis had also retired, and the Cabinet in its weakened condition was at once attacked by the Convention party, Mr. J. H. Brooke, of Geelong, one of the leaders of the land

agitation, being entrusted with a no-confidence motion, which was seconded by Mr. O'Shanassy and promptly carried. The Governor applied first to Mr. O'Shanassy and then to Mr. Ebden, but neither of these gentlemen would undertake the task of forming a Ministry. Finally, he fell back on Mr. Brooke, who accepted the task and adopted the unprecedented course of summoning a caucus of the Opposition members, who proceeded to elect the various officers of the State from amongst themselves by ballot. The result of this irregular proceeding was the election of Mr. Richard Heales as Chief Secretary; R. D. Ireland, Attorney-General; George F. Verdon, Treasurer; J. H. Brooke, Minister of Lands; Robert S. Anderson, Commissioner of Trade and Customs; and J. B. Humffray, the former Secretary of the Ballaarat rebels, was selected for Commissioner of Mines.

Mr. Richard Heales had been in Parliament for some three years when called to this important office. A man of the people, who had in his early colonial days earned his living as a working coach-builder, his sympathies were strongly with his fellow-artisans. Not only did he seek to assist them by liberal measures for inducing their settlement in the colony, but, as a social reformer and temperance lecturer, he strove manfully for their uplifting. Exceedingly popular with the masses, he was deficient in strength of character for so onerous a post, and his efforts were somewhat impaired by weak health. Eventually the cares of office broke him down, and he died prematurely in 1864. Few men who have had so short a public career have left more friendly memories behind them. He is entitled to credit for having, as a private member, carried an Education Act, on which the national system of the colony is founded, abolishing the old unsatisfactory control of rival Boards and their attendant theological strife.

It was in connection with land settlement that Mr. Heales developed his most radical views, being soon satisfied that the Nicholson Land Act was useless for its professed purpose of substituting agriculture for the growth of wool. If he had been less philanthropic and more business-like, he would have seen the futility of trying to cajole men into farming by offering them land at one-third of its market value, while there were buyers around who, if they could

not get it from the Government, were ready enough to make a bargain with those who could. Large agricultural areas that had been thrown open in the Western Districts had undoubtedly been secured to a considerable extent by adjacent pastoral tenants of the Crown. In many cases no doubt by the assistance of "dummies," but also in others by the *bonâ-fide* sales of the selector, whose hopes of profitable wheat-growing, so far from a market, were too often easily dispelled. It was notorious in the sixties that the men who succeeded in getting land in the early proclaimed areas rarely had success to boast of in their dealing with it. Most of them fell into the grip of the money-lenders, and found that when they had paid their interest and provided their frugal rations, there was neither profit nor poetry in the hard calling. The well-to-do artisan, easily earning his £3 a week in Melbourne, was loud enough at the Convention meetings in denouncing as a betrayer of his trust the disheartened selector whose annual crop, generally hypothecated in advance to the storekeeper, often failed to yield him a surplus equal to what his brother of the city could lay aside in a few weeks. And it was a noticeable fact that the demagogues who so coarsely derided the squatters, and proclaimed as their battle-cry that every man in the colony ought to have "a farm, a vote, and a rifle," were by no means the class of men who were prepared to bend their backs to the laborious occupation of the farmer.

It was evident to Mr. Heales that while the choice lands of the colony, the asset that should pay for railways and provide for immigration, was being needlessly sacrificed, the persons proposed to be benefited were not the ultimate gainers. He sought some remedy, and thought to find it in free selection before survey, and the deferring of payments on a generous scale. Probably it did not occur to him that this was an invitation to the impecunious to "jump," in mining parlance, any attractive piece of country, and to trust in Providence for the means of paying for it. Such changes, however, could not be effected by regulation, they required an amending Act. Meanwhile, the Attorney-General devised a plan whereby a clause in the Nicholson Land Act relative to "Occupation Licences" (expressly intended only for sites for miners' residences, stores, inns, etc.) might be so worked as to justify their issue for purposes of settlement and

cultivation. The attempt was promptly denounced in the Legislative Council as an illegal straining of the authority given to the Minister of Lands by the clauses referred to, and it was resented in the Assembly as trenching upon the powers of the Legislature. The illegality of the process was subsequently confirmed by the Supreme Court in a test case brought before it (Fenton *v.* Skinner). Unfortunately, before that judgment was given no less than 172,000 acres had been licensed to some 1,700 applicants, and much trouble, litigation and loss ensued in dealing with the claims of these people, who were now declared to be in illegal occupation of Crown lands.

On the 13th of June a Mr. Hedley, member for Gipps Land, was put forward by a combination of the discontented to propose a vote of want of confidence in the Heales Ministry, and after a debate extending over twenty-one hours of a continuous sitting it was carried by a majority of eighteen. But the rejoicing of the victors was premature, for greatly to the surprise of the Assembly the Governor assented to the request of Mr. Heales for a dissolution, notwithstanding a formal address of remonstrance having been sent to him from the Legislature. No doubt he was justly dissatisfied with the manner in which public business was blocked by these constant changes of his advisers, too frequently under the flimsiest of pretences. Probably he hoped that a new House might bring men to the front more inclined to consider the wants of the country than the coveted emoluments of office. In any case, the results justified the step, for the Ministry returned from the country with materially increased support. They had indeed issued a manifesto of ultra-liberalism, including in their platform the eagerly anticipated Payment of members.

The first session of the third Victorian Parliament met on the 30th of August, 1861, and a few days afterwards Mr. Duffy attacked the Government for their illegal use of the "Occupation Licences". A debate, extending over more than a week, followed, but Mr. Duffy's vote of censure was eventually negatived. But the Opposition, if outnumbered, were stronger in political experience and resource than the Ministerialists, and they wanted office. Perpetual depreciation of everything emanating from the Treasury benches; suspicious courtesy to some members of the Cabinet;

mysterious secret conferences, all seemed to indicate some pending movement. Stories of Ministerial dissensions began to be told. Messrs. Ireland, J. S. Johnston and R. S. Anderson retired from office, preparatory to joining the enemy, and on the 14th of November the Heales Ministry succumbed to an adverse vote on Mr. Verdon's Budget proposals. Once more the intervention of the Governor became necessary, and he had the honour of receiving the seventh Ministry of his administration. The team, if not a particularly strong one, could at least claim experience, for all of them had held office before. Mr. O'Shanassy took command as Chief Secretary, with Mr. Haines as Treasurer, Mr. Duffy again in the Lands office, Mr. Anderson at the Customs, and Messrs. R. D. Ireland and J. D. Wood as the Law Officers.

This combination managed to hold office for nineteen months, and enabled Mr. Duffy to work out his perfected ideas on the land question. It was a matter of some surprise, after the very strained relations that had long existed between this gentleman and his political sponsor, that he should have again taken office under O'Shanassy; but the Roman Catholic body had been greatly exercised over the rupture, and a reconciliation was finally brought about by the good offices of Dr. Quinn, Roman Catholic Bishop of Brisbane, who visited Melbourne for the purpose, and with much tact patched up a workable alliance.

The new Cabinet was highly thought of by the Minister of Lands, for in his autobiography he says: "For the first time since the Constitution was proclaimed, the colony possessed an Administration strong in capacity, experience and influence, and above all in the robust will before which difficulties disappear". But its career hardly justified this smug reflection. The daily press, as usual, took opposite sides. It was praised and encouraged by the *Argus*, and contemptuously reviled by the *Age*. Its efforts were mainly concentrated on the settlement of the land question, and the Duffy Land Act of 1862 was the *magnum opus* of its existence. There appears to have been a prevalent belief that any man could make a farmer, and that if he was provided with cheap land he must score a success. Mr. Duffy, advancing reasons in addition to those based on philanthropy, expressed his opinion that

the mining population, "when it became unfit for that trying pursuit, might become discontented and dangerous to the public safety". The way to avoid such unpleasant consequences was to bribe them with a slice of the national estate, at one-fourth of its market value, and to endeavour, by regulations and supervision, to prevent them from pocketing their temporary profit and clearing out. It would be tedious to record in detail the points on which Mr. Duffy's measure differed from that of his predecessor. The underlying theory of offering exceptional inducements to people to become farmers was the same, and there was added the temptation of credit, selectors being allowed eight years to pay for half their holding, at 2s. 6d. per acre per annum, without interest. Suffice it to say that the Bill, which was drawn by Professor Hearn at a cost of £500 to the State, was a disastrous failure, and that within a year of its enactment it was denounced by almost the entire press of the colony. One of the Melbourne journals went so far as to say of Mr. Duffy that "by his stupidity, or rascality, or a compound of both, he has brought on the colony a dire calamity".

The Bill proposed to reserve 10,000,000 acres of the best agricultural land in the colony for farming purposes, of which 4,000,000 acres were to be surveyed, and open for selection within three months of the passing of the Act. The conditions of selection were hedged round with numerous provisions for improvements and cultivation, and required statutory declarations of *bonâ-fide* intentions. But they proved delusive, in consequence of the omission to make these onerous conditions mandatory on the selector's "assigns". As soon as a man could raise the £1 per acre he acquired a freehold, which he could readily sell at £3 per acre to a buyer who was not bound by any conditions of residence, fencing or cultivation. Hence much of the land reverted, unimproved, to those who could use it profitably for wool growing, even at the enhanced price. For at the then ruling price of wool land that would carry a sheep to the acre was well bought at £3.

The widely expressed indignation at this squandering of the public estate was mild, however, compared with the explosion of anger which assailed the Minister in the House and in the press

on the discovery of a serious blunder in Mr. Duffy's estimate of the revenue to be derived from the squatters. He had provided that, after eliminating from their runs all the best agricultural land, the remainder, some 24,000,000 acres, should be available to them, on an annual licence, up to the 30th of December, 1870. Not satisfied that the £250,000 per annum which this class contributed to the State was a sufficient equivalent, he proposed to assess the value of their runs by arbitration, and to make a charge per head of stock according to their carrying capabilities, not as heretofore upon the actual stock held, it being commonly alleged that most of the runs were kept understocked. It was vaguely anticipated that the change would result in a largely increased revenue. Unfortunately for the propounder of this scheme, the report of the Board of Land and Works, by whom the valuations were made, worked in an opposite direction. Some of the squatters were actually paying more than they could now legally be called upon to contribute, under the Board's valuation of the agistment capacity of their runs, and the summarised result showed a deficit of quite £50,000 on the pastoral revenue. A feeble attempt was made to revert to the original charges, but the House creditably denounced such a course as savouring of repudiation, and on the 19th of June, 1863, the third O'Shanassy Ministry succumbed to the position and resigned. Mr. Duffy, if defeated, was certainly not convinced. He maintained that his theories were correct, but that others had blundered in giving effect to them. He blamed Professor Hearn for faulty drafting of the Act; he blamed the Attorney-General for insufficient supervision; he blamed the Board of Land and Works for their appraisements; but most of all he blamed the people for whose benefit he had pitted legislation against poor human nature, who were unable to resist the temptation he had placed in their way, by emphatically declaring that "the very class for whom he legislated sold their inheritance for some paltry bribe".

The relations between the O'Shanassy Ministry and the Governor had not been altogether cordial, and it was no doubt with an assured feeling that change would be beneficial to the country that he entrusted Mr. McCulloch with the task of forming a Government. He was successful in getting together the strongest Cabinet that

had yet held office in Victoria. Taking the Chief Secretaryship, he associated with himself George Higinbotham and Archibald Michie as his Law Officers; G. F. Verdon as Treasurer; Richard Heales in charge of the Crown Lands; J. G. Francis at the Customs; and in subsidiary offices he had men of the calibre of J. M. Grant, T. H. Fellows, Henry Miller and others, all experienced in departmental administration. This Ministry held office continuously for five years, and resumed it again, after a brief interval of two months, for another term of fourteen months. As the average duration of all Victorian Ministries up to the end of the century has been only eighteen months, Mr. McCulloch's record stands easily first.

Powerful as the Government was in the House with a subservient majority, the five years passed away without the land question reaching finality. And this was partly due to the consciousness of power tempting Ministers into conflicts with the Legislative Council on constitutional questions, which kept the country in a ferment for several years.

These episodes did not fall within the period of Sir Henry Barkly's administration. In May, 1862, the Legislature, in one of its intermittent fits of retrenchment, had passed a Bill reducing the Governor's salary to £7,000 a year, as from the 1st of January following. As this involved an alteration of the Constitution Act, the Bill was necessarily reserved for the Royal assent. In transmitting it to the Duke of Newcastle His Excellency tendered the resignation of his office. The Secretary of State did not accept this as a matter of course. He rather scornfully intimated that if the Victorian colonists wanted a cheap Governor, he would take care on the next vacancy to appoint a gentleman who would not object to bring his scale of living into conformity with the colony's reduced means. But he would not consent to the reduction being applied to the existing occupant of the office, in violation of the safeguards provided by the Constitution Act. Nor would he evade the difficulty by recommending Her Majesty to accept Sir Henry's resignation, a course which would practically be placing the tenure of the Governor's office in the hands of the local Ministry. "I am unable," he says in conclusion, "to advise that Her Majesty should assent to a Bill calculated to deprive her representative of more

than half of his salary before the period at which it may please her to determine his tenure of government."

In the light of these views Parliament once more considered the matter, and eventually the salary of future Governors was fixed at £10,000 per annum, which was to include staff allowances, the Act to come into operation on Sir Henry Barkly's retirement. It happened that the British Colonial Office urgently required an experienced man for Mauritius, where great industrial and political movements were pending, and Sir Henry's resignation was accepted with a view to his transfer thither.

The seven years during which Sir Henry Barkly presided over the Victorian Executive were fertile in substantial progress, notwithstanding the political unrest by which the period was marked. A capable and continuous Government might have done more in that direction, but all the personal struggles for office, all the petty scheming and jealous rivalry, without even the excuse of dignified party lines, were not able to seriously retard the onward movement of a community so lavishly endowed by the Crown, by nature, and by that gift of energy and enterprise commonly found in connection with Anglo-Saxon colonisation.

The most important factor in that progress during the period in question, apart of course from the grand products of the mines, was undoubtedly the bold commencement of railways throughout the colony. It must be a source of regret for all time that the conditions under which these really national works were originally contemplated were altogether ignored. So far back as February, 1855, Sir Charles Hotham had addressed a message to the old Council inviting them to consider a system by which railways might be undertaken. He laid down several sound propositions: 1. That no scheme should be entertained that did not provide for the eventual liquidation of the loan. 2. That no lines should be undertaken that did not promise to be remunerative, and to ensure the interest which it was proposed the State should guarantee. 3. That as a means of repaying the borrowed capital within twenty-one years land on each side of the railway should be reserved to provide the necessary fund. 4. And that as each section of a line was completed tenders should be called for the lease of it for a

term of years. The Governor's sensible recommendations were referred to a special committee for consideration, and on the 21st of May that body submitted an interim report in which they expressed an opinion that the leading lines of railway ought to be under the control of the Government to avoid the evils resulting from the construction of competing lines. They thoroughly endorsed the reservation of contiguous lands for redemption purposes, and they recommended the immediate survey of a line from Melbourne to Castlemaine, with a view to its eventual extension to the Murray, and a line from Geelong to Ballaarat with subsequent extension westward. The report is silent upon the business proposition to lease the lines. Two years and a half elapsed before these recommendations began to show promise of fulfilment by the completion of arrangements for borrowing the money to give effect to them. Throughout the long period of discussion, the intention of repaying such loans within a defined period, and from specific sources, seems to have been repeatedly advanced as a justification for incurring what was then regarded as a very onerous liability. In October, 1857, when the Railway Loan Bill was before the Legislative Council, a committee of that House reported that before they could sanction incurring so large a debt as £8,000,000, they required to be satisfied that principal and interest would be liquidated without pressing too heavily on the general revenue. They said that all witnesses examined on this point had declared that the returns should leave a clear net profit of at least 10 per cent. on the outlay. They recommended that whatever the profit was, it should be strictly reserved for redemption purposes, and to prevent any misappropriation, the surplus so shown should be applied to the repurchase of railway debentures at the end of each year.

Had these wisely conservative considerations prevailed, the financial position of Victoria would have been very different to-day. There is no doubt that a State is fully justified in borrowing money for works that materially help the development of the country, and especially, as in railways and roads, that add a large market value to its property. When, as in Victoria, the State was the owner of the bulk of the property to be so enhanced in value, the first fruits

of the increment should certainly be applied to the repayment of the outlay from which it arose. But under the dead level of all the Victorian Land Acts this principle was ignored, and the Government continued to sell land at the uniform £1 per acre, alike to the buyer for whose crop railway transit was adjacent as to the man who required many days' journey with bullock teams to reach his market. The costly means of communication decided on had no effect in enhancing the value of the public estate to the community as a whole, though it made many individual fortunes. The desire to meet the requirements of the "poor selector," who was also an elector, led Parliament so to extend the measure for his benefit that the final Land Acts practically gave him his freehold for nothing, for the nominal payment of 1s. a year for twenty years was only a moderate rate of interest on the real value of the property.

When it was decided in 1857 to borrow £7,000,000 or £8,000,000 for the construction of the two main trunk lines, the method of floating so large a loan was a fertile subject for discussion. Mr. Haines had addressed himself to the eminent English firm of Baring Brothers, and asked them for terms. Not caring to submit a tender which might appear as an ultimatum, they promptly consulted Mr. Childers, who had just arrived in London, and persuaded him to return to the colony as their representative, with full power to conclude an arrangement for all the financing required. By this time the resources of the colony were so well known in London that other eminent dealers in credit were stirred to action. Mr. Gabrielli, who had done so well for himself out of the Corporation Loan, hastened back to Melbourne, and made a dashing offer to take the whole issue at the rate of £700,000 every six months. Messrs. De Pass Brothers & Co., representing a wealthy English syndicate, sent in a proposal far more favourable to the Government than any of the others, but it was not entertained. All these offers were only for the raising of the necessary funds, but in the previous year overtures had been made by Mr. Thomas Brassey, the father of a subsequent Governor of Victoria, to undertake the construction of 200 miles of railways within four years, and to accept payment in Government Debentures at par. The agents which this gentleman sent out were, however, coldly received by Mr. Haines, who suspected some sinister design

underlying these lordly offers. Had Mr. Haines been in office when Messrs. Baring's ambassador arrived, it is probable he would not have been able to resist the proposals of his late colleague, whose sudden return to the colony was the result of the Chief Secretary's appeal to the great London firm. But before the answer came to that appeal Mr. O'Shanassy reigned in his stead. Now that gentleman was chairman of the recently established Colonial Bank; his Minister of Customs, Henry Miller, was chairman of the Bank of Victoria, and his Treasurer, George Harker, was also a director of that institution. Such a triumvirate naturally regarded it as a slight upon the banking officials of the colony to go past them in seeking financial assistance, and they successfully organised a combination of six banks, whose tender was accepted for floating the loan, on terms which were slightly in excess of the remaining competitors. This was an early small instalment of the tendency which, later on, became so characteristic of Victoria, to pay for the privilege of dealing with the local man rather than take a profit from the "foreigner". There is little doubt that in this case there were advantages, not presentable in figures, which justified the preference, since the relations between the banks and the Government from that time to the present day have been of vast commercial importance, and have proved cordial and mutually beneficial.

When the money was provided controversy revived over rival routes, and petitions poured in from a score of small centres of settlement praying for deviations in their favour. When all these difficulties were adjusted, the work was undertaken on a scale of solidity and permanence that must have shaken the belief of those witnesses who had prophesied a 10 per cent. return on the outlay. The contract for the line to Sandhurst was let on the 4th of May, 1858, for £3,356,937. With subsequent extras and variations its actual cost averaged over £45,000 per mile. The line from Geelong to Ballaarat, through much easier country, cost over £33,000 per mile. These surprising figures were largely due to the high rate of wages ruling, especially for skilled labour, and to what has since been recognised as errors in encountering exceptionally difficult country, which might have been avoided by variations in the surveyed route. It is no exaggeration to say, that five or six years later equally sub-

stantial lines could have been built for not much more than half the expenditure.

After half a century of experience the State-owned railways are still worked at a heavy loss, which has to be made up out of the general revenue, and there appears small prospect of the Government being able to bring them into conformity with commercial principles. For a power has grown up in the large army of railway servants, whose mass vote at Parliamentary elections is a thing that even Ministers have to reckon with; and whose Unions, in combination with other labour organisations, are strong enough to resist any proposed reduction of working expenses. But these conditions were undreamt of, even by the most pessimistic, in 1858.

The line to Ballaarat was opened for traffic on the 10th of April, 1862, and that to Sandhurst on the 20th of October following. In the latter city some 20,000 persons gathered from the surrounding districts to welcome the Governor, who was accompanied by Mr. O'Shanassy and several members of his Cabinet. The congratulatory speeches at the banquet following the ceremony were conceived in the grandest form of superlative exaggeration. The Government had already been constrained to take over the privately constructed line between Geelong and a place called Greenwich, on the Salt Water River, about four miles from Melbourne, the journey being completed thence by steamer to the Queen's Wharf. The Government had guaranteed interest for twenty-one years on this enterprise, but the work had been badly done, without proper supervision, and during the short time the company operated it there were some fatal and many serious accidents. The Government paid about £600,000 for the company's undertaking, and it cost quite as much more to properly equip the road and make the direct communication with the Metropolis. Later on the resumption by the State was extended to the Hobson's Bay and St. Kilda lines, and to the lines controlled by the Melbourne and Suburban Railway Company serving Richmond, Prahran and Brighton, the Legislature having decreed that all future railway extension should be in the hands of the Government.

In the city of Melbourne during this seven years great strides

had been made. The insanitary, half-paved, ill-lighted city in which Sir Henry Barkly set foot in 1856 had developed by the date of his departure into a bright, bustling Metropolis. The few scattered oil lamps had given place to gas; an abundant supply of pure water, from the noble Yan Yean reservoir, was laid on to the houses; substantial buildings were everywhere in course of erection; and the handsome mansions and trim gardens of the well-to-do citizens were making picturesque the rapidly filling suburbs. The University and the Public Library had been started before his arrival, but he viewed with a genuine interest their steady progress and growing usefulness. He saw the foundation of the National Art Gallery, with a modest vote of £1,000, in 1862; and the beginnings of scientific arrangement in the National Museum, under the charge of Professor McCoy. His undoubted leaning towards scientific research led him to take a prominent interest in the establishment of the Royal Society of Victoria, in the Acclimatisation or Zoological Society, and in the building and equipment of the National Observatory, which, under the control of Mr. Ellery, has done probably the most important astronomical work of the Southern Hemisphere.

The flagstaff on the hill in the western garden of the city, the signals whereon had been Melbourne's first warning of approaching ships, was superseded by the establishment of telegraphic communication with Queenscliff; and so rapid was its extension, that before Sir Henry retired there were 2,500 miles of electric wire connecting all the more important towns in the colony with Melbourne, and beyond its borders the lines were completed to Sydney, Adelaide and across the Strait to Hobart.

The mining industry had undergone great changes during this same period. In 1856 the value of the gold raised, £11,950,000, was within a trifle of that of the wonder year 1853, when £12,600,000 was recorded, plus a considerable sum privately conveyed out of the colony. Though these magnificent figures were not long maintained, yet the seven years which ended with 1863 were generous contributors to the wealth of the community, for the official returns record the huge total of £60,000,000 sterling for that period. The exciting days of sudden individual fortune were, it is true, mainly

stimulating memories, and the picturesque freebooter who roamed at large, dipping his hand occasionally into nature's pockets, had generally squandered his princely gains and reared up no successor. Under the influence of capital and organisation, and by the aid of costly machinery, the search became transformed from an alluring gamble into a patient working out of dry calculations. The revelation of the permanent character of the quartz lodes, which such working established, came at an opportune time, when the alluvial gutters were showing signs of exhaustion. In quartz mining the men, as a rule, worked for wages, and the labourer gradually learned to prefer the certainty of his weekly earnings to the chance of better results in a precarious venture by himself. It was the alluvial miners, solitary prospectors and gully hunters that kept the goldfields' population so incessantly disturbed. The largest number of adult miners on the Victorian goldfields was reached in 1858, when the Warden's returns gave 147,358 as employed, of whom 33,000 were Chinese. This number steadily diminished from that time forward. By the end of 1861 it was down to 100,000, in 1871 to 52,000, and ten years later to 35,000. But in the period now referred to they were exceptionally restless, continually lured away to fresh, and often very distant, fields upon most inadequate evidence. Great "rushes" took place in succession to Maryborough, to Dunolly and to Mount Ararat. At the latter place, where it was reported that the diggings extended over five miles of country, with comparatively shallow sinking, a population of from 30,000 to 40,000 had congregated in August, 1857, to be largely dispersed again before the end of the year. Movements on a smaller scale had invaded Tarnagulla, Talbot, St. Arnaud; explored the ranges which divide the water-sheds of the Avoca and the Loddon; westward had reached Pleasant Creek, afterwards known as Stawell; and had also opened up many profitable fields on several of the tributaries of the Goulburn River. It seemed as if the diggers in search of fortune were animated by that spirit of impatience which is the characteristic of democracy, and too often fields thus hastily tried and abandoned turned out in after years yields of surprising richness. Distance certainly lent a delusive attraction. In July, 1858, rumours reached Victoria of

a marvellously rich goldfield having been discovered at Port Curtis, 1,500 miles from Melbourne, under the tropic of Capricorn. The furore for adventure seized upon the miners. The coastal steamers were filled to overflowing, and the hoardings of Melbourne and Geelong were aflame with placards soliciting passengers for a fleet of brigs and schooners, and even small sloops, laid on for the new Eldorado. And when the eager thousands had surmounted the cramped discomforts of the scrambling voyage, they were landed on the edge of a wilderness, where there was neither water nor food obtainable for such an invasion, and where gold only existed in trifling quantity and widely distributed patches. Hundreds succumbed to dysentery and unhealthy climatic surroundings, and the Legislature was moved to urge the Ministry, in the interests of humanity, to save the remnant from starvation. Mr. O'Shanassy accordingly sent the surveying steamer *Victoria*, under Captain Norman, with a full cargo of provisions, to the rescue. Altogether, the Government provided the means of return to nearly 2,000 stranded miners, in the hope that the severe lesson would induce them to transfer their energies to the development of the assured mineral resources of their own colony. But the lesson was not learned even by that generous outlay. Two years afterwards some 8,000 miners were lured away, by vague reports, over the ranges at the head of the Snowy River, to the neighbourhood of Kiandra, in New South Wales, whence, six months later, they gravitated back in a half-starved and generally destitute plight. In 1861 startling rumours from New Zealand set them again in commotion, and once more an exodus of 10,000 or 12,000 men took place to Otago, only to find that they had been the victims of the grossest exaggeration. The effort to move the Government again to undertake the task of bringing them back was a failure. The Chief Secretary had bought his experience, and he declined to renew the process.

This restlessness of the mining population, while it was confined within the limits of the colony, though it probably retarded the increase in the gold yield, was certainly instrumental in helping the settlement of the country. As a rule, wherever a mining "rush" took place a town grew up, and, though in many cases when an

alluvial field appeared to be worked out the population fell from thousands to hundreds, it generally remained as a rallying-point, and if the surroundings were at all favourable, grew into importance upon a more favourable basis. With the beginnings of agriculture in earnest a decade later, the most favoured spots for selection were adjacent to some township, where the facilities for supplies had been already established for a largely vanished population.

In comparison with the exceptional growth of preceding years, the period now dealt with was somewhat stagnant in the matter of population. On the 1st of January, 1857, it was roundly 400,000. By the end of 1863 it had risen to 571,000—fully one-half of the increase being due to excess of births over deaths. Immigration had received a considerable check by the dissemination of press reports in England of the want of employment by the labouring classes, and the highly coloured speeches of the men who in public meetings voiced their complaints. Prior to the commencement of railway construction there were many such demonstrations, and in 1857 they made out such a pitiful story that Parliament voted £25,000 to be expended by the Public Works Department in providing them with remunerative occupation. The demagogues who took these men in hand, acting as their spokesmen at deputations and mass meetings, took their cue from the Convention, and invariably denounced the squatter as the source of all the evils of the day, declaring that their monopoly prevented the industrious labourer from getting his rightful share of that land which was assumed to be the sure passport to fortune. As a matter of fact, the Government sold half a million acres of land during this year, 1857, at an absurdly low price—a quantity enormously in excess of the available people capable of bringing it into profitable use. To talk of putting the shiftless, penniless crowd of workless men upon the land was merely to suggest relegating them to starve out of sight instead of parading their woes in the city. The Government invented work for them at 5s. per day—some of it, though not presently necessary, was prospectively useful; much of it was absolutely wasteful. One contingent was employed for several months in levelling the sand dunes on the beach between Sandridge and St. Kilda with a vague intention of some day selling them for residence

sites. The selling did not come off for more than twenty years after, and the prevailing winds had long before restored the land to its original characteristic of rolling downs. The Ministry of that day by its action gave a tacit consent to the doctrine that every man had a right to employment, and that it was the duty of the Government to find it for him if he failed in his own efforts to do so. From that day forward, year after year, the unemployed have been a prominent factor in Victorian politics, organised in their proceedings, with a secretary to formulate their views, knocking at the door of the Treasury and bearding apologetic Ministers. No Government has had the nerve to be candid with them, because each member of such deputations had as much voting power as the most influential landowner or merchant in the State, and in combination they were to be feared. Nor has any Government shown the ability or found the leisure to deal with the question on remedial or preventive lines. While the progress of the colony on the natural side of its expansion—agriculture and dairying—has been seriously retarded by the want of labour, not only has no comprehensive plan been devised for fitting these opposing conditions to each other, but the difficulty has been intensified by the tendency of successive Governments to placate the workers by establishing uniform rates of wages for all—rates that in other countries could only be earned by the skilled artisan. Needless to say they were generally found prohibitive of employment in connection with the smaller gains and more intermittent labour of the farmer. When the railway works were commenced in June, 1858, the Sandhurst line absorbed the labour of quite 4,000 men, and the Geelong to Ballaarat line some 2,500 more, and for a time the workless were less in evidence. But there always remained a residuum, chiefly composed of the incapable, the physically unfit and the dissolute, for the men with health, energy and common-sense had no difficulty in finding where they were wanted.

Two events that occurred during Sir Henry Barkly's administration deserve extended notice. The first was a substantial reformation in the Penal Department, which, owing to the inevitable invasion of Van Diemen's Land criminals during 1852-53, had by the strain put upon it proved lamentably incomplete in its equip-

ment and disorganised in staff and morale. Prior to the date of the Governor's arrival the insufficiency of prison accommodation had been to some extent met by the detention of a large number of the more desperate criminals on board four prison hulks moored in the bay. Parties of these men were landed daily to work in the stone quarries and at some projected fortifications at Williamstown. On one occasion a gang of them, led by a notorious bushranger, popularly known as Captain Melville, had seized the launch in which they were returning from work, killed the man in charge, and thrown two others overboard. They were not long in the enjoyment of their liberty, being recaptured by the water police before they could regain the shore. Nine of the men were put on their trial for murder and duly convicted, Melville as the leader being sentenced to death. During the trial this man had made statements about the treatment of prisoners and the brutality of some of the officials so repulsive as to be almost incredible. They so shocked the moral sense of the community that a public meeting was convened by the Mayor of Melbourne, which resulted in a petition against the execution of Melville, and a demand for a searching inquiry into the methods of the Penal Department. Mr. David Blair and Dr. Singleton led the indictment, which was supported by several prominent ministers of religion, many members of the legal profession, and other leading citizens. The result of the public interference was startling. Melville was reprieved, and had the satisfaction of dying by his own hand some eight months later. The Government appointed a Select Committee of the Legislative Council to investigate alleged abuses. That body was quickly convinced that the management of the department was costly and unsatisfactory in nearly every respect, but that the defects were largely due to the want of proper buildings in which classification and separate treatment could be carried out. They did not, however, consider that the charges of callous brutality and official cruelty, so freely voiced by the citizens' committee, had been substantiated. Unfortunately, by some means the press reports of the citizens' meetings were smuggled aboard the prison hulks, and they served to keep alive a defiant and mutinous spirit that gave a fine flavour of danger to a warder's duties. In the belief that public sympathy

was with them, some of the convicts refused to go to work, and others combined in active protests against the quality of their food, and other matters. On the 26th of March, 1857, Mr. Inspector Price, the head of the department, went down to Williamstown to investigate matters for himself. He was a very strict disciplinarian, with a record in Tasmania that made his very name detested by the Victorian criminal recruits from that island. He went boldly amongst the gang at work in the quarries, and demanded the cause of their complaints. His manner was imperious and unconciliatory, but he had a mob of crime-hardened ruffians to deal with, and in the bad old school of Norfolk Island and Port Arthur he had never been known to flinch from the severest measures to command submission. Many of the desperadoes around him, who had changed their colony but not their nature, bore him a deadly hatred in memory of old severities, and a sudden spasm of vengeance overtook them. Unable to restrain their passion, and indifferent to any consequences, they suddenly fell upon him, and with stone, hammer and shovel battered him out of the semblance of humanity. Two of the warders who were with him made some effort at protection, but they were easily beaten off, and the others fled to give the alarm. The situation was desperate enough. Some two hundred men armed with spades, spall hammers and crow-bars could, if they had made a determined rush for liberty, have swept all before them. But while they hesitated what to do, and commenced knocking off their irons, alarm bells were ringing, the volunteer artillery corps turned out, a number of residents joined the police in forming a cordon and reassuring the warders, and within a couple of hours discipline had so reasserted itself that the bulk of the prisoners marched down to the boats and re-embarked at the word of command. All who fled were recaptured, and a coroner's jury on Mr. Price's body returned a verdict of wilful murder against fifteen who had appeared to be ringleaders. A portion of the number went to trial before Judge Barry, and seven of them were convicted and executed.

The evidence adduced at that trial was again a shock to the community, for after making every allowance for exaggeration it was clearly shown that the system was worked with a rough severity

approaching brutality, calculated to promote mutiny among the hardened and the desperation of despair in the more venial offenders. There was no sense of any possible reformatory influence, no aim at any system, or even a glimmering of the simplest principles of criminology. The one object which seemed to possess the official mind entirely was to prevent escape, and even in that, despite the universal use of mediæval fetters, failure was notorious. In July, 1857, the Government fortunately secured in Colonel W. T. N. Champ, as successor to Mr. Price, a much higher type of man. He had made the convict problem a serious study during a twenty-five years' residence in Tasmania, as military officer, police magistrate, commandant at Port Arthur, and finally as Chief Secretary. He had left the impress of his more humane methods and better organisation even on the pandemonium of that sad island, and before he had been a year in office in Victoria he had practically reconstructed the department. The "floating hells," as the hideous prison hulks which disgraced the bay were popularly called, were gradually abandoned; the flimsy wooden "stockades" at Carlton and Richmond were superseded; and the collection of wooden sheds at Pentridge gave place to a substantial building wherein classification and proper supervision were possible. The result in a very short time was most gratifying to the Government, for not only were the scattered evidences of criminality reduced in number, but the prisoners were found some industrial occupation, and the cost of administration was reduced by fully £20,000 a year. The reformation did not reach any high point in the science of dealing with criminals, but it was a step in the right direction. For the time it satisfied public clamour, and it certainly ended the many mutinous outbreaks, which had been a cause of terror to the citizens and danger and fatality to the officials and prisoners alike.

The other noticeable event of the period was outside the political arena. It represented a spontaneous effort of the people of Victoria to take some part in the exploration of the vast unknown interior of the continent. So far all effort in that direction had either been at the expense of the Crown or the work of New South Wales and South Australia. Victoria, with its restricted boundaries now fairly well examined, had nothing to gain territorially by any

exploration, but there was a generous sense of emulation amongst the colonists to assist in solving the problem as to whether the interior of Australia was a barren, waterless desert, or a potential feeding-ground for untold millions of sheep and cattle. In this aspect at least it concerned one section of Victorians, who, as the land laws squeezed them out, were perforce taking up country on the outskirts of New South Wales, and pressing forward into the unknown.

In 1859 a provision dealer in Melbourne, named Ambrose Kyte, offered anonymously £1,000 towards the cost of such an exploration. The project was commended by the press as patriotic, and taken up by the Royal Society of Victoria as helpful to scientific inquiry. The public grew interested, and about £2,500 was added to the fund by voluntary donations. But this was far short of what would be required to fit out an expedition qualified to give valuable results. So after the manner that has remained a characteristic of all Australian communities, an appeal was made to the Government which met with a generous response. Parliament voted £9,000 in aid of the project, and took steps to import camels from India for the purpose. The duty of selecting a leader for the expedition was confided to a committee of the Royal Society, subsequently extended by the inclusion of a large number of prominent colonists and officials into a somewhat unwieldy body known as "The Exploration Fund Committee". The choice of a leader fell upon R. O'Hara Burke, an inspector of police in Victoria, who had seen some military service in Austria in his youth, and who was accounted by all who knew him as a fine dashing, brave and probably reckless Irishman, full of the adventurous spirit belonging to vigorous health and the prime of life. Unhappily, he proved to be deficient in the necessary qualifications of tact and patience. He knew nothing of bush-craft or surveying, and was without any experience in dealing with the aborigines. His second in command, G. J. Landells, was an ignorant man whose chief qualification for the post was that he was the only available person who knew anything of the management of camels, he having been employed by the Government to purchase them and bring them from India. On the strength of this special knowledge he gave himself aggressive airs, and was soon at loggerheads with

the whole camp. The third officer, W. J. Wills, was the only one who possessed the necessary scientific attainments for the work. At the time of his appointment he was a valued assistant to Professor Neumayer at the magnetic observatory, and though only twenty-six years of age was held in very high esteem for his abilities by the small body of scientists in Melbourne. To these three were added a Dr. Beckler as botanist and medical adviser, and another German doctor as naturalist and draughtsman, making, with the necessary subordinates and Hindoo camel drivers, a party of eighteen in all. The large and not very unanimous committee in charge were responsible for many delays, and for the ponderous character of the cavalcade which started from Melbourne on the 20th of August, 1860, with something of a theatrical display, followed by the cheers of thousands of excited spectators. It included a large number of saddle and pack horses, twenty-four camels, two huge waggons, and half a dozen other vehicles carrying several tons of provisions and fodder, and much unnecessary impedimenta. The start was unfortunately made quite three months too late in the season. The ponderous caravan was slow in its movements, and seven weeks slipped away in reaching the outposts of civilisation at Menindie on the Darling. Here, on the eve of plunging into the unknown, the rupture between Burke and Landells came to a head, and the latter, accompanied by Dr. Beckler, the medical officer, turned tail and hurried back to Melbourne to bombard the committee with complaints against their leader. Meanwhile Burke, who realised that the summer was now close upon him, was most anxious to push on to Cooper's Creek, where the committee had instructed him to form a depôt as a base for further operations. Water and grass were already getting scarce, and the value of the camels for travelling had not come up to expectations. So on the 19th of October Burke started from Menindie with Wills and six men, leaving directions for the others to follow leisurely with the remaining camels and the bulk of the stores. They reached Cooper's Creek, fixed the site of the main depôt, on 21st November, and then impatiently waited the arrival of the laggard rear party for nearly a month.

But the leader of the rear party, a man named Wright, whom Burke had hastily engaged at Menindie in place of the deserter

Landells, proved an unfaithful servant. Under various excuses of waiting the confirmation of his appointment by the committee in Melbourne, and want of funds to purchase extra stores, he made no effort to fulfil his leader's injunctions, and did not start north for more than three months after he should have been *en route*. Burke waited, expecting him daily, until the 16th of December, when his patience gave out. Once more dividing his party he started northward, accompanied by Wills, King and Gray, taking only one horse, six camels and three months' provisions on a strictly limited scale. He directed Brahe, who remained in charge of the depôt with the other three men, to await his return, and plunged into the unknown.

The country presented no difficulties to their progress. For the most part there was plenty of feed for the camels, numerous creeks, and an abundance of wild duck and other game. As they approached the shores of the Gulf of Carpentaria, the country was found so swampy, and the camels got so frequently bogged, that they were obliged to leave them, and load their provisions on the one horse. With this they made fair progress until the 9th of February, when Burke once more resorted to his favourite plan of halving his resources, and leaving King and Gray with the bulk of the provisions, he and Wills pushed on together over the rotten ground towards the sea coast. Two days later they reached the Flinders River near its mouth, and saw, amidst a wilderness of mangrove, the inrushing salt tide from the Gulf. It was a squalid *dénouement* of the grand cavalcade that had set out from the Royal Park nine months before. Two gaunt, ragged men in a mangrove swamp within a few miles of the sea, but from their weakness not able to reach it, as the apex of the prolonged labours and costly expenditure of the Exploration Committee. Still, the prescribed work had been done, the continent actually crossed for the first time, and such *éclat* as pertained to the feat had been won for Victoria.

Provisions were nearly exhausted, and it was necessary to hurry back, so rejoining King and Gray, a start was made homeward on the 13th of February. The camels were recovered, and the chances of a safe and rapid return looked promising. But

they were disconcerted by exceptionally wet weather at first, storm succeeding storm almost daily; they were without tents, their limited allowance of provisions suffered damage, and sodden by day and night they began to break down. Burke suffered severely from dysentery; Gray succumbed to it, and was left in a shallow grave among the spinifex bushes. The camels could not travel in the sludge; some were abandoned to their fate, one was killed and jerked, and finally the half-starved horse shared a similar fate. Two worn-out camels only remained, and Burke mounted on one, with Wills and King on the other, they toiled desperately towards the depôt where they had left Brahe to await their return. Part of the last week of their journey was across a waterless, stony desert, which brought them to the verge of collapse, but on the 21st of April they dragged themselves into the depôt, to find it cruelly deserted.

The unpardonable neglect of Wright to bring up the rear party from the Darling, and the unduly prolonged absence of Burke in the northern wilds, had reduced Brahe to an unbearable condition of nervous anxiety, and on the morning of the very day on which the luckless explorers returned he had started south, his party well provided with provisions and means of transport. He left a letter to that effect, enclosed in a bottle and buried with a quantity of provisions. To the latter the half-starved explorers turned ravenously for present consolation, and then sank into the deep sleep of exhausted bodies and depressed spirits. Thus commenced a course of most unhappy blundering and miscalculation, that culminated in the prolonged suffering and death of the leaders, entailed heavy expenditure with much labour and hardship on search parties, and evoked a great display of angry recrimination in Melbourne.

Burke, mentally and physically enfeebled, shrank from undertaking the journey of 360 miles to the Darling. He had heard that pastoral settlement in South Australia had extended to within 150 miles of Cooper's Creek, and he resolved to make for the nearest outlying station in that direction. Wills strongly urged the following up of Brahe's party, who, as subsequently shown, were camped only a dozen miles from them on the evening of the

21st. But Burke was obdurate, and the loyalty of Wills to his leader cost both their lives. They started on the south-east trail after a few days' rest, but two months of helpless wanderings saw them, defeated and despairing, back near the depôt; their two camels dead, and life barely kept in themselves by gifts of fish from the natives, and bread from the ground seeds of the nardoo plant. Before starting on their trying journey Burke had planted a letter in the *cache*, stating where they had gone and their objective. Brahe, on his retreat to the Darling, was met by Wright tardily setting out for the depôt. When they met it was agreed that some of the party should turn back to Cooper's Creek for a final look round before abandoning all hope of finding their leader. They reached the depôt some four weeks after Burke had started towards Adelaide, and so reprehensibly superficial was their examination, that they hastily concluded no one had been there since Brahe left—they assumed that the provisions they had buried were untouched—and as they did not open the *cache*, Burke's letter remained undiscovered. Being satisfied that the explorers had never returned from the north, Brahe and Wright once more retraced their steps to Menindie and sped the doleful story to Melbourne.

When the three ragged shadows once more reached the depôt, there was nothing to indicate that a well-equipped rescue party had come and gone in the interval, and after a hard struggle to prolong life on the innutritious nardoo, they resigned themselves to the inevitable. The last pathetic entry in the journal of the gallant young Wills is dated 29th June, 1861, and he died alone, probably within twenty-four hours. Two days later Burke breathed his last, and the attenuated survivor King, having no strength to dig a grave, was fain to cover his body with boughs, and leave him where he fell. Then despondingly he attached himself to a wandering tribe of natives, and being of a hardy constitution, managed to keep alive on the food which his comrades had found so deficient in sustaining power.

All Australia was stirred to its depths by the story which Wright carried to Melbourne. Blame was prodigally distributed all round. It fell perhaps loudest on the Exploration Committee; then on the

subordinates who had been callously negligent in action, or palpably faithless to their trust; and even on the unhappy victims of Burke's impetuosity, as well as on himself. But search parties were promptly organised, and the first to start from Melbourne was led by an experienced bushman, well versed in dealing with the aborigines, Mr. A. W. Howitt, who generously volunteered his services to the Royal Society. Simultaneously, the Government despatched the surveying steamer *Victoria* to the Gulf of Carpentaria, whence an expedition was started southward, under Landsborough. Another, furnished by Queensland, set out from Rockhampton towards the Gulf; and finally, the Government of South Australia fitted out one under McKinlay to travel up to Cooper's Creek by the route which had baffled Burke and Wills in their attempt towards Adelaide. The explorers had been long dead before these various expeditions got afield. The search parties were instrumental in adding much to geographical knowledge, but as far as the main object of their journey was concerned Howitt alone was successful. It was far in September before he reached Cooper's Creek, and after a few days' search, he came upon natives who led him to where King was being faithfully tended by the friendly blacks. Wasted to a skeleton, with a few tattered rags tied about him, he could scarce speak or understand for a time. But they nursed him back to life, and to him and to the scattered note-books and diaries of Wills, which he was instrumental in recovering, the colony was indebted for the meagre details of the important part of the disastrous expedition. After reverently burying the two bodies, Howitt hastened back to Melbourne. When the whole story was revealed, there arose an impetuous demand that the remains of the explorers should be brought to Melbourne, to receive the belated honours of a public funeral. Mr. Howitt again undertook that task, and as showing how the dangers of the past had been due to want of reasonable calculation, he brought his melancholy *cortège* down by the very route that had been considered impracticable by the trio when they sought to reach Adelaide *viâ* Mount Hopeless. It was proved that when they turned back in despair to Cooper's Creek, they were only about forty miles from the nearest outlying station.

On the 21st of January, 1863, the public funeral took place,

and was attended and witnessed by many thousands of spectators. All the shops were closed along the route, and the procession included most of the members of the Government, the prominent officials, from the Chief Justice downward, the foreign consuls, the leading ministers of all the churches, and a huge following of private citizens. It was not so much a national recognition of a great heroic performance—for, truth to tell, the expedition was scientifically a failure—but rather the expression of a widespread feeling that there was something to be atoned for, some injudicious management and unfaithful service, that had been responsible for the disastrous result.

Victoria had won the race in the competition for the first crossing of the continent, but it had cost altogether seven lives, and a total expenditure, including pensions to survivors and monuments to the dead, of over £50,000. Now that Cooper's Creek is practically a settled pastoral district, the story of the trials and sufferings of this expedition seem almost incredible, for the journey so fraught with misery has since been made by one Colonial Governor for pleasure, and by several bicyclists for mere business purposes. A huge granite monolith marks the place in the Melbourne Cemetery where Burke and Wills were laid to rest, and the streets of the capital are adorned by an heroic group in bronze erected in their honour, from a design by Charles Summers, the first and finest work of the kind ever produced in Victoria.

Before this year was out Sir Henry Barkly had departed for his new sphere of duty. He sailed in September, without any ostentatious leave-taking, leaving behind him a strong Ministry to carry on the business of the country, and bearing away the consciousness of seven years' work faithfully done, undisturbed by any of those constitutional struggles which involved his successor in such woful shipwreck.

CHAPTER V.

AN ERA OF CONSTITUTIONAL STRUGGLE, 1864-1868.

Sir Charles Henry Darling, K.C.B., who was sworn in as Governor of Victoria on the 11th of September, 1863, was the bearer of a name that to the colonists of a preceding generation had been symbolical of a bad type of irresponsible military despotism. He was a nephew of that General Ralph Darling who from 1825 to 1831 ruled the people of New South Wales, and during those few years evoked so much antagonism from the press and the populace, largely influenced by the impetuous Wentworth, that his departure more resembled a flight than a farewell function. His nephew had not the tenacity of purpose of his namesake, nor had he the same opportunities of exercising power. He was a novice in constitutional law, and his training as military secretary to his uncle in Sydney had given him a poor opinion of it. Without any experience of representative Government, or any strength of character, he was as wax in the hands of such dominant men as James McCulloch and George Higinbotham, and they became the virtual rulers of the colony. Unfortunately, it cannot be said that weakness of purpose was the only defect in Sir Charles Darling's character. When he had been cajoled into flagrant violation of the impartiality which his instructions from the Crown laid on him, he developed a pettiness amounting almost to vindictiveness in denouncing to the Secretary of State those who had opposed him. So far did he carry these sweeping comments that his peremptory recall was rendered inevitable. He was even fatuous enough to suppress despatches from the Colonial Office which ought to have been promptly laid before Parliament, and to garble others which he submitted by unjustifiable omissions. On the whole, the verdict of posterity will probably be that he was the

poorest specimen of a Governor ever permitted to represent Her Majesty in Victoria. And yet, by virtue of his undisguised opposition to the Legislative Council, he invariably received the plaudits of the mob in his public appearances, and especially on the occasion of his somewhat dramatic departure.

On the same day that the Governor was installed, and immediately after that ceremony, he was escorted to the Legislative Chambers and formally prorogued the House. He had thus a few months to familiarise himself with his surroundings during a lull in the normal conditions of political strife, for Parliament did not resume its sittings until the 26th of January, 1864. The first session of which he had experience, and which closed on the 2nd of June, was both brief and colourless. On the 2nd of February Mr. Heales brought in a Bill to amend the Duffy Land Act, which afforded a jaded discussion for a couple of months, and then went to the Council to meet the fate which had befallen a similar effort in the preceding session. It was no great loss, for it was but a feeble attempt to cure an incurably bad piece of legislation, by increasing stringency of supervision over the selector during a period of five years' probationary leasing, and by making the Minister of Lands the judge of his *bona fides*. It proposed to extend the Parliamentary generosity, hitherto confined to the "poor selector," to the creation of a race of "poor squatters" by granting ten years' licences of blocks of 2,560 acres at a trifling rental. The holders of these "grazing farms," when the capitalistic squatters, with their flocks and herds, had been "driven across the Murray with their own stock-whips," to quote a favourite figure of the day, were to provide the local supply of meat, and the exportable quantity of wool which had been wont to give an air of commercial prosperity to the colony abroad. Mr. Duffy opposed the Bill on the ground, amongst others, that there was no prohibition of the present pastoral tenants of the Crown becoming tenants of these grazing farms. So strongly did he feel in this matter, that he said he would vote for the Bill, much as he disapproved of some of its provisions, if clauses were introduced making it impossible for a squatter to acquire a lease, and rendering its future transfer to such a person illegal! But the session passed away and the perennial

question of the Crown lands was relegated to the next Parliament. The remaining measures of the short session of 1864 were unimportant, and though some five and twenty Acts were assented to, they were mainly machinery Bills.

The general elections commenced in August, and the new Assembly met for business on the 28th of November. The result had been extremely favourable to the Ministry, for on the opening day no less than fifty-three members ranged themselves on the right of the Speaker, facing a forlorn party of fourteen on the left. The only notable men in the minority were John O'Shanassy, Graham Berry and Sir Francis Murphy, the latter being almost immediately withdrawn by his re-election to the chair. Some well-known faces were missed. James Service and Charles Gavan Duffy were both absent in England, R. D. Ireland and Charles Jardine Don were among the rejected, and Wilson Gray had gone to New Zealand, where he eventually became a judge.

About thirty new men appeared on the roll, some of them of an ultra-democratic type, for the addresses of many of the candidates had been quite theatrically "liberal" in the colloquial sense of that term. Infallible measures were promised for getting the right people on the land, and driving the squatters off it. Mining legislation was to be brought up to date in the sole interest of those who followed that arduous calling. The export duty on gold was to be abolished, and a Mint provided, whereat the miner could get the full value of his product in new sovereigns. And above all, those sovereigns were to be kept in the country, to circulate from hand to hand amongst the people who created them, and not to fall into the rapacious maw of the foreign exporter in exchange for his goods, the product of the pauper labour of the old world. The fact that Victoria was undeniably a pastoral, agricultural and mining country was ignored, and the proposal to convert her fair domain into a manufacturing centre was hailed by the mass of the population as a forward step in the race for pre-eminence and prosperity. It seemed so simple a method of increasing employment and maintaining wages to keep out by taxation the goods which could be made locally. Therefore, the working man, looking at it only through the medium of the wages question and the widened area

of employment for his children, threw in his lot vigorously with the party which then, and for many years after, had Graham Berry as its most voluble and resourceful champion.

The amount of fiery talk, the scorn of opposition, the derision of warning, the glowing pictures of "a paradise for the working man," which irradiated the speeches of aspiring legislators during the general elections of 1864 and 1865, came as a startling revelation to the industrious but prosaic business men of the colony. In the early sixties no educated man, no one with a rudimentary knowledge of the history of his mother-country, or of the operations of commerce and exchange, would have cared to pose as an advocate of Protection to native industry, which was so soon to sweep all before it at the polls. If they thought about it at all in the intervals of business, it was as a gloomy memory of desperate times in the old land, where its monopolistic tendencies drove the labouring classes to the verge of revolution: where it was a synonym of the most hateful form of the oppression of the capitalist, and was broken down and routed by the Parliamentary champions of the working man. Not a few of the colonists who had achieved prosperity in the land of their adoption had sad memories of the state of despair to which the starving operatives in the manufacturing centres of England had been reduced in 1842 under Protection, and of the rioting, bloodshed and bitterness which had accompanied its overthrow. But here, at the Antipodes, it was not the grasping capitalist who led the clamour to resuscitate the rule of Protection, but the artisan and the labourer, who had otherwhere been its irreconcilable opponents.

This is not the place to elaborate the arguments that have been advanced in favour of or in opposition to the doctrine. Numberless writers have dealt with it in its special application to Victoria, and it is very doubtful if all the discussions which have filled the pages of Hansard and the columns of the daily press for the last forty years have materially modified the opinions held respectively by supporters and opponents. Yet, while arguments have had little effect, results cannot entirely be ignored, and it will be seen in the annals of the twenty-five years following that in which Parliament complied with the popular mandate, and established

Protection, that Victoria lost the pride of place she then occupied as the wealthiest, the most populous, and the most attractive place on the Australian Continent.

In the beginning of 1865 the colony was in a thoroughly sound position. Customs' duties were collected on only about a dozen articles, all of them of the nature used for revenue purposes the world over. The total revenue, at a little over £3,000,000, left a surplus on the year's expenditure. The public debt of £8,000,000 had been spent on railways and water supply to Melbourne, both distinctly remunerative works. Eighty thousand miners, nearly one-half of the male population between twenty-five and fifty years of age, were at work producing gold to the value of £6,000,000 a year. Half a million acres of land were under cultivation already, and though this represented but a fraction of the area alienated, the importation of breadstuffs had been reduced to less than half what it was in 1855. The only obstacle to the colony feeding itself lay in the difficulty of securing sufficient and suitable labour for this primary industry. There were 118 flour mills throughout the country; no less than 782 manufactories, using machinery amongst them valued at £1,773,000, and exporting their products to the adjacent colonies to the value of £230,000 in 1864. Wages were on the average quite double what would have been earned by the same class in England, while, with the exception of house rent, the cost of living was very considerably less. Trade was active, employment was abundant, and the community as a whole was basking in prosperity.

Less than thirty years later the same community was in the depths of despondency, losing the cream of its population, staggering under an unbearable burden of debt and a greatly enhanced cost of living. The Government railways had accumulated a deficiency of some £8,000,000, and were being worked at a loss of £300,000 a year. Wages, after a few years of artificial inflation, had fallen to such a level, that the leader of the Labour Party in Parliament had told the House that the workers in Victoria "had never been in such a deplorable condition as at present," and the same authority asserted that in a large number of Victorian industries the hands were worse off than the London dock labourers,

whose desperate strike for a living wage had evoked sympathy and assistance even in Melbourne. Processions of the unemployed deranged the traffic of the streets; their orators denounced the Government as the cause of their distress, and demanded that the Government should provide the remedy. It was not easy; for in lieu of the helpful and resourceful men of the fifties, a new generation of town-bred factory operatives had been nurtured into existence, whose training and environment tended to the production of cramped minds and debilitated frames. Thousands of young women had flocked into this kind of employ, that gave them the scantiest of remuneration, the minimum of useful instruction, and absolutely unfitted them for the capable discharge of the duties which should make home life attractive to the industrious artisan. At the date of the census of 1891, after twenty-five years of State aid in the nursing of manufactories, 43 per cent. of the entire population of the colony had gravitated into Melbourne and suburbs, and preferred to live there in intermittent employment, on the verge of starvation, rather than face the hard life that follows the plough or delves in the mine. The number of miners at the same date had fallen to 21,000. Many of the more energetic, whom Victoria could ill spare, had been lured away by the attractions of the little known Western Australia, the glamour of the "far away hills". The less enterprising contented themselves with petitioning Parliament to bear the cost of fitting out and maintaining prospecting parties to search for gold, which undoubtedly existed in scores of untrodden gullies within their own borders.

Finally, the Government, finding that free railway passes, liberally distributed, only relieved them of the presence of the impecunious for a brief holiday, took up their alleged responsibilities and produced Factory Acts, Wages Boards, Anti-sweating Boards, and promised Courts of Arbitration and other devices for which the working man clamoured, because he began to realise that it was he, and not the manufacturer, who had most need of Protection.

Of course, it is not assumed that Protection alone was directly responsible for all these changes. It simply means that Government took the initiative by stepping outside the definite principles upon which nearly all economists are agreed, that the functions of

the State outside of protection to life and property should be as limited as possible; and that it is unjust to impose a burden upon the whole community, the benefit of which is confined to a portion only. Having gone beyond the safety line, the Government felt itself constrained to bear increasing burdens, which grew out of this first false step. It found itself unable to resist the pressure of the manufacturer who strove to translate protection into prohibition; and having yielded there, it could not withstand the demand of the working man to be rendered independent of the gains or losses of his employer. Hence it came about that the whole community began to regard the Government as the mainstay of all industry, the helper in every season of difficulty. Under this impression individual enterprise was weakened, and the tendency to lean on the support derivable from State socialism permeated all classes, with the debilitating effect of an oriental fatalism.

To return from this anticipatory digression to the opening of the fourth Victorian Parliament on the 29th of November, 1864, Sir Charles Darling, in the speech provided for him, emphasised two important points, which were alleged to require immediate attention. Of the promised amendment of the Land Act he said: "My advisers deem it necessary to the settlement of this difficult subject that Parliament should be invited to pass a law which shall be simple in its principle, unencumbered with superfluous and impracticable conditions, calculated to bring the lands of the colony within easy access of the public at large, whilst dealing equitably with existing interests". Then he passed cautiously to open the subject which was destined to wreck his career. "It is proposed by my advisers that the revenue collected through the Customs House shall be levied partly by reduced duties upon objects already chargeable, and partly by duties, moderate in amount, on various commodities which as yet have been altogether exempt from taxation. The effect, it is conceived, will be to decrease the burden of taxation borne by the mining and other industrious classes, and to distribute it more equitably among all classes of society."

The debate on the speech was mainly noticeable from the great dissatisfaction expressed by Graham Berry at the half-hearted manner in which the revision of the tariff was referred to. To him it was

the pillar of cloud by day and of fire by night that heralded the redemption of the working man from his hard lot, and gilded his future with glowing promise. Holding the views he did, it was not unreasonable that he should distrust the Ministerial professions. For, had not McCulloch said on the hustings at Mornington in a previous election: "I am opposed to Protection. . . . What this colony wants is to buy in the cheapest market and to sell in the dearest." Had not the sarcastic Michie withered the Protectionist cause in many witty public addresses? And had not Attorney-General Higinbotham quite recently declared that he would never remain in a Cabinet that sought to promulgate such a doctrine. Even the Treasurer Verdon, who in response to the mandate of the people made tentative advances towards it, showed by his apologetic manner that he had been trained in a commercial school where its theories had no honour. The Ministry were, however, strong enough in supporters to be indifferent to criticism, and the reply to the speech was promptly carried. The real debate on the tariff was postponed until the land legislation had been disposed of.

Mr. James McPherson Grant had on the death of Mr. Heales succeeded him in the charge of the Lands Department, and on the 30th of November he introduced an amending Land Bill, which reached its third reading on 18th January following. It was further amended by the Legislative Council, and sent backwards and forwards several times, until finally a conference between the Chambers adjusted all difficulties, and it became law on 28th March. This Act, commonly known as the Land Act of 1865, was based upon the principles propounded by Grant in his election address: "that *bonâ-fide* settlement should *precede alienation* of any description; that not an acre fit for agricultural purposes shall be alienated until the person who selects it shall have given evidence to the State—and the best evidence to the State—that he is a *bonâ-fide* selector by the improvement that he puts upon his allotments". Conditional leases were therefore granted for seven years at 2s. per acre to any applicants for allotments of no less than 40 nor more than 640 acres in extent, in any proclaimed agricultural area. If the holder of such lease resided continuously thereon for three years, and during the first two effected improvements to the value of £1 per acre, he could

then acquire the freehold on payment of that sum, without competition. There were other clauses by which non-resident selectors who made improvements within a year could have the land put up to auction, with a valuation for their outlay, which they would receive from the buyer if they failed to purchase. But up to this point the leasehold rent in all cases was strictly a rent, and did not go towards the purchase money, as in subsequent enactments. This Act was memorable for the introduction of a principle somewhat akin to the "Occupation Licences" of the Nicholson Act. The forty-second clause became a very popular mode of settlement, as it enabled miners, storekeepers and any one occupying Crown lands to obtain a licence for a holding, up to 20 acres, at an annual rental of 2s. per acre. It was intended to confine the provisions of this clause to the goldfields and their immediate vicinity, but the Minister had unfettered discretion, and he used it very freely in extending the area of its application. Any person of whose *bona fides* the Minister was satisfied was allowed to hold four licences, and thus many small farms of 80 acres were established, and frequently on the choicest parts of squatters' runs. Within four years of this enactment 786,000 acres had been taken up under this clause by over 13,000 applicants, the average holding being 46 acres. Widely as these facilities were availed of, the selectors remained dissatisfied. They objected to a rental of 2s. per acre while the pastoral tenant paid only about 2d., and they eventually succeeded, under subsequent Acts, in getting the rental accepted as instalments of the purchase money. In the prolonged struggle, however, some of the attractions of a free farming life had been dispelled by want of success. Uncertain seasons, inexperience, make-shift methods, and perfunctory cultivation left no profits, and during these few years many hundreds of selectors had their leases forfeited for non-completion of conditions, and improvements to the value of over £100,000 were confiscated by the Crown. For three or four years the political arena was so fully occupied by the contention between the Assembly and the Council that no constructive legislation was possible, and reformation of the abuses which had crept into the administration of the existing Land Acts was practically hung up until 1869.

It is not easy to discover the specific grounds upon which the

three prominent men in the Cabinet of 1865 suddenly turned their backs upon the economic principles which they had, until then, so vigorously upheld. No financial exigency at the Treasury demanded increased taxation, and indeed, had it done so, it would have been a very roundabout way of reaching revenue to impose duties intended to stop or largely reduce importation. Mr. Verdon, in making his budget statement, was compelled to admit that the revenue was satisfactory, and in order to make some sort of excuse for spreading the grip of the Custom-house officer over the whole area of commercial imports, he had to reduce by one-half the duty on tea, sugar and opium, and to surrender the substantial revenue derived from one of the most equitable forms of taxation ever imposed, the export duty on gold. In view of the widespread antagonism to the Chinese, it seems strange that a drug almost exclusively used by them should be selected for a reduced duty, but the explanation offered was that, in consequence of the lower duty ruling in South Australia, it was being largely imported to Adelaide and smuggled across the Murray to the goldfields. It is difficult to escape the conviction, which was certainly widely spread at the time, that, so far at least as Mr. McCulloch is concerned, the retention of place and power was the main influence that led him to accept the verdict of the majority, and to trim his politics to suit them. And, however unpalatable the adoption of such views may have been at the outset to the Attorney-General, when they had once involved him in the dispute with the Council, every consideration gave way before the one dominant desire for victory. It was sufficient for the Chief Secretary that a majority of the members had been elected pledged to Protection, and that nearly a score were pledged to follow the ardent Graham Berry to any extremity to ensure its recognition by the State. The miners, too, were naturally eager to add half a crown an ounce to the value of their products, without inquiring what proportion of the saved export duty they would disburse in the enhanced cost of their food, stores and appliances. It is true the export duty had been paid by a comparatively few, but in all cases they were the successful ones, and this was really the only charge imposed for the privilege of helping themselves to so valuable a product and protecting them in

the search for it. On the other hand, the import duties were spread over the widest area, and touched alike the lucky finder of fortune-giving nuggets and the solitary fossiker, between whom and starvation there was often only the forbearance of the storekeeper.

The incidence of the tariff appears in the retrospect to have been arranged on a scale verging on the ridiculous. Nearly everything that came into the colony in the shape of eatables was charged at the rate of one penny per pound weight. Millinery and articles made up of silk paid duty at the rate of 5s. per cubic foot on the outside measurement of the package containing them. Apparel and slops, boots and shoes, hosiery, gloves and other personal effects were 4s. per cubic foot of enclosure. And nearly everything else that could be listed was uniformly rated at 10 per cent. *ad valorem.* The fixed duties on the external measurement of packing cases acted most inequitably, taxing a gentleman's dress suit, worth £10 10s., at the same figure as a digger's moleskins and jumper, worth perhaps £1 10s. Under this system the rich man paid less than 5 per cent. on his apparel, and the labouring man from 20 per cent. to 50 per cent.

But such considerations were not allowed to have any influence. Confident in a subservient majority, the Ministry implied that the duty of the House was to comply with the mandate of the country by passing the tariff, not to discuss it, so by the 19th of January the resolutions for imposing the duties were agreed to, and their collection at the Customs was forthwith commenced. Such a course, in anticipation of the early passing of a Tariff Bill by Parliament, was strictly in accordance with British precedent, as a necessary protection of the revenue, the theory being that in the event of the duties failing to become legally collectable the interim payments would be refunded. But when months passed by and no Customs Bill was introduced, the importers began to turn restive, and Mr. O'Shanassy made an inquiry in their interest. To his surprise Mr. McCulloch replied that, in consequence of an agitation which had been raised by a certain class in the city against the tariff, the Government, with a view to avoid jeopardising a measure which, after long debate, had been passed by a large majority in the Assembly, had decided to include it in the Ap-

propriation Bill; and he urged members to hurry through the Estimates in order that the Bill might be promptly sent to the Council, throwing upon that Chamber "the responsibility of rejecting the Appropriation Bill if they were so disposed". Mr. O'Shanassy entered an earnest protest against such a violation of procedure, upon the mere assumption that the Council would deal adversely with the tariff, if sent up separately. He denounced the proposal as unconstitutional, and, though a few members had the courage to support him, the bulk of the Ministerialists were quite satisfied with the assurance of Messrs. Higinbotham and Michie that everything was in perfect legal order, and gleefully entered upon the struggle.

On the 16th of May the Legislative Council, having considered this defiant intention to invade their rights, unanimously passed resolutions binding themselves to adhere to the practice of the Imperial Parliament in regard to matters which may be comprised in one Bill; and affirming: "That it is contrary to such usage and practice to introduce any clause or clauses of appropriation or other foreign matter into a Bill of aid or supply. That it is contrary to such usage and practice to introduce any clause or clauses of aid or supply, or other foreign matter, into a Bill of appropriation." Unheeding this warning, the Assembly, having rushed through the Estimates, passed the Appropriation *cum* Tariff, *cum* Gold Duty Bill through all its stages, and transmitted it to the Council. Simultaneously with its receipt a petition was presented to that Chamber, praying the rejection of the Bill, which was signed by over 24,000 persons, representing some of the most important interests in the colony. Amongst them were 750 merchants and bankers, about 10,000 shopkeepers and other tradesmen, nearly 1,000 farmers, over 4,000 miners, and about as many mechanics and artisans. With such a backing the Council did not hesitate, and on a division the hybrid Bill was "laid aside" by a majority of twenty to five on the motion of Mr. Fellows. The discussion showed that members generally were ready to pass the Appropriation Bill if it could be divorced from its companion measures, but the President ruled that such a step would be tantamount to amending a Money Bill, which was *ultra vires*. Mr. Sladen,

in a vigorous championship of the constitutional rights of the Chamber, said: "If the House passed this Bill they might expect that next session a Land Bill would be tacked to the Appropriation Bill, or that a variety of other Bills would be tacked to it, or that even the whole legislation of the session would be disposed of in one day, in one great consolidation measure".

When the decision reached the Assembly the Chief Secretary caused the House to record a series of resolutions, by which he intended to commit his followers to a course of action from which retreat would be impossible. These declared the exclusive and inherent right of the Assembly to deal with all matters of taxation, and pledged it not to entertain any other Appropriation Bill until the Legislative Council should have adopted the tariff which had been sanctioned by the Lower House. Violent invective and passionate assertion characterised the denunciations of the Council, and a few days later the *Government Gazette* contained an announcement from the Treasurer that "the payment of salaries, wages and contingencies must be delayed until the necessary authority for the expenditure has been obtained".

These high-handed proceedings naturally alarmed the mercantile classes, who for over six months had been paying duties which had not been levied by Act of Parliament, and which now seemed likely to fail in acquiring that sanction. The law was put in motion, and actions were commenced by importers to recover the duties illegally exacted. The Government responded with an intimation that they "intended to resist to the court of final appeal this attempt improperly to recover money legally paid under the sanction of the Legislative Assembly, and that the Act of Parliament intended to be passed to give legal form to the resolutions *would be retrospective in its operation*, and would subject all persons who endeavoured by legal means to defraud the revenue to the costs of their litigation". The Supreme Court decided in favour of the merchants, but the Commissioner of Customs announced that the decision of the Judges would not alter the determination of the Ministry, and that the collection of the duties would continue. This flouting of recognised authority, so rare in a British community, where respect for the decision of an

upright and independent judiciary is a marked attribute, caused something like consternation. Though weakly allowed to pass without protest from the Governor, it was hotly denounced by all the leading organs of the press throughout Australia. Public indignation was so strongly expressed that even the irate ardour of the Attorney-General was compelled to restraint, and on the 6th of October he applied to the Court for leave to carry an appeal to a higher tribunal.

The volume of Hansard reporting the session of 1864-65 runs to 1,560 pages. Any resolute investigator venturing into this wilderness of words cannot but be struck with the moderation and dignity of tone of the speeches on constitutional subjects by the majority of the members of the Council, as compared with those of the Assembly. An attitude of serene assurance in their rights saved them from any display of temper, but the calm passivity of their resistance intensified the anger of the Assembly until passion supplanted judgment. Some even amongst the leaders of the House displayed a petty animosity, and many of the minor lights discredited Parliament by intemperate language and sweeping, slanderous aspersions of their opponents.

After the Council had assured the Ministry of its willingness to pass an Appropriation Bill when "presented in the usual and accustomed manner," it adopted an address to the Queen, in which the events of the difference were explicitly narrated, and solicited the interposition of Her Majesty for the maintenance of the Constitution as by law established. Two weeks later the Council resolved, on the motion of Mr. Sladen, that it was desirable to refer the difference between the two Houses to the Judicial Committee of the Privy Council for final and authoritative decision. In the Assembly the suggestion was scouted, Messrs. McCulloch, Higinbotham and Michie all declaring that it was not a question of the legal interpretation of an Act that was raised, but a matter of political usage in which it behoved the Assembly to be its own guide and judge.

Meanwhile, the gazetted suspension of payment was attracting invidious comment, and the legal ingenuity of the Attorney-General combining with the business influence of the Chief Secretary devised

a plan for evading the financial requirements of the Constitution and the checks of the Audit Act. The six banks—which in association held the Public Account of Victoria—were approached for a loan, of an indefinite amount and term, to the Treasury officials. The banks jointly took counsel's opinion, and were advised that the proposed advance was illegal, if it was proposed to look to the Government for repayment. One of the six, however, The London Chartered Bank of Australia, of which Mr. McCulloch was the local chairman, found itself over-persuaded by its director to a course which eventuated in the manager's retirement. This bank agreed to advance £40,000 to the Government, and, when it had done so, promptly issued a writ for its recovery. By arrangement no defence was entered for the Crown. The Attorney-General confessed judgment for debt and costs, and the Governor signed a warrant for payment of the amount out of the consolidated revenue of the colony. This process was repeated every few weeks, and the public creditor was duly paid without any legal certificate of the validity of claims, or official supervision of the expenditure. It was evident, if this process could be continued, that there was no need for any Audit Department, or for the formality of an Appropriation Bill, or even for the farce of deliberating on the Estimates in Parliament. The Chamber of Commerce, alarmed at such lawless proceedings, entered a formal protest against the assumption by the Ministry of the absolute and irresponsible control of the finances of the colony, and followed it up by a petition to the Queen, signed by some 20,000 citizens, praying for the maintenance of the Constitution.

On the 8th of November the Assembly, despite the resolutions on the records, consented to undo the "tack," and sent up the Tariff Bill alone to the Council. But, with a view to making it as unpalatable as possible, the Attorney-General devised a new preamble, in which the Assembly formally claimed the exclusive right of granting supplies. On this ground, and because it included the reduction of the gold export duty, which, as a revenue of the Crown lands, came equally under the purview of the Council, and because a clause had been inserted involving retrospective legislation, the Council rejected the Bill on a division by nineteen to five. The

iniquitous character of the retrospective clauses was universally condemned. It was an attempt by an *ex post facto* law to prevent private persons from obtaining the rights which had been formally decreed to them by the highest legal tribunal in the land, the very idea of which is repugnant to all English notions of justice.

A few days later Parliament was prorogued, and on the 11th of December it was dissolved for an appeal to the country. For a time the colony was practically without any legal Government. No Appropriation Bill had been passed for the year then closing: no payment could be made, except with money raised by the collusive judgments, and the disbursement of that was under no legally authorised control. Yet in his prorogation speech the Governor was made to say to the Assembly: "I am glad to be able to announce that *although your grants have not obtained the form of law*, they have been rendered available for the maintenance of the functions of Government and the fulfilment of its legal obligations!"

If the Legislative Council could have been concurrently dissolved, there might have been some sort of excuse for going to the country; but as the question between the Houses involved the interpretation of constitutional law, on which learned counsel and eminent jurists had argued heatedly for a whole year without convincing each other, it was little short of absurd to place such an issue before the manhood suffrage electors of the Assembly. The question which the Council deemed of sufficient importance to submit for the decision of the highest court of appeal in the Empire was contemptuously thrown by Mr. McCulloch to the arbitration of the man in the street, with a distinct implication that he was to find for the plaintiff, lest a worse thing befal him. For although Mr. McCulloch, in his election address, professed to ask them to decide whether the right of taxation was vested solely in the Assembly, the rallying war-cry of the majority of the candidates was Protection to Native Industry, and the maintenance of the rights of the people against the schemes of a plutocratic Council, whose desire to get rid of the Ministry was declared to be not unconnected with insidious designs on the public estate.

The general election proceedings extended over a month, which was a period of great turmoil. Charges of the most defamatory

kind against the Council were freely launched from the hustings. It was accused of covertly seeking a repeal of manhood suffrage; of conspiring with the squatters to block agricultural settlement; to secure perpetual leases of the waste lands of the Crown; and, in general terms, of trying to override the decisions of the people's Chamber in all matters of policy or taxation. There was wild talk of disregarding the Constitution, when it did not square with the claims of the one-Chamber men, and of "cutting the painter" if the Colonial Secretary presumed to interfere for its maintenance. Even one of the Ministers, the Commissioner of Customs, plainly insinuated that separation from the mother-country would be preferable to submission to outside interference. With such incentives to passion the masses were roused to support what became known as the "Loyal Liberal Cause," and the Ministry came back with a further increased majority, though it must be confessed that the tail of its supporters contained quite a crowd of nonentities. Many of them owed their election entirely to the support and influence of Ministers, and repaid the favour by a display of grovelling subserviency. The vivacious Solicitor-General, Mr. Michie, was the only Minister who was rejected—O'Shanassy declined to go to the poll on the ground of failing health. Perhaps the most remarkable defeat was that of Graham Berry at Collingwood. He had backed up McCulloch in the "tack"; he had preached Protection red-hot to applauding thousands; he had been amongst the most popular leaders in the crusade against the Upper House. But he was not a Ministerial tool. He had dared to oppose and to denounce McCulloch's collusive juggles with the State funds, and the influence of the Government was cast against him so successfully that he was kept out of Parliament for three years. Although the Ministry swept the country, some of the Metropolitan constituencies sent in fresh men of fair debating power, many of whom were found amongst the twenty forming the Opposition, facing a Ministerial phalanx of fifty-eight.

On the 12th of February, 1866, the new Assembly was sworn in and proceeded to elect its Speaker. Sir Francis Murphy, who had held the position for ten years, had to face a contest. The Opposition, by way of marking their disapproval of his indecision

and equivocation when appealed to for a ruling on the "tack" question, and the very noticeable manner in which he revoked his own decisions when bullied by the Chief Secretary, determined to put forward another candidate, though with little hope of success. It was contended that if the Speaker had possessed the courage of his opinions, he could, by a little firmness, have blocked McCulloch in his first revolutionary step, and have spared the colony the discredit, loss and injury to which it had been exposed during the past eight months. Mr. Peter Snodgrass, who was nominated for the position, found only eighteen members independent enough to emphasise the lesson, and a solid vote of fifty-two Ministerialists restored Sir Francis Murphy to the dignity of the chair.

The Governor's speech was a careful compilation of vague platitudes, decorously abstaining from any reference to the social and political revolution through which the colony had been struggling: and there was little in it to indicate the future policy of the Ministry, or how they proposed to carry on the Government. One thing alone was definite. The tariff as approved by the last Assembly was to be again submitted to Parliament, and His Excellency was made to say that he "trusts the great difficulties which have accrued from the differences between the Houses may be overcome," and that "by a wise and considerate exercise of their powers, they may be able to legislate according to the popular will". Not perhaps a very exalted idea of creative legislation, but probably fairly representative of the idea of manhood suffragists. The Legislative Council promptly replied to the Governor's speech and made their position quite clear. Their address stated that the late elections having established the fact that a majority of the people favoured a protective tariff, they were ready to give effect to this expression of opinion, even should it involve a duty on wheat, flour and other produce of the land. They disclaimed any desire to unduly interfere with the fiscal system of the colony; and they alleged that they were not aware of any difficulties arising from the differences between the Houses which could be removed by legislation. As to the Appropriation Act for 1865, they said: "As we have more than once informed your Excellency during the past session, we were desirous to pass it, had it been transmitted in the accustomed manner",

On the 2nd of March the Tariff Bill was again sent to the Council, and on the 13th was rejected by a majority of twenty to eight, upon the grounds that the aggressive preamble was still maintained, and that as a temporary measure, limited to three years, it involved the possible absence of any Customs revenue at the end of that period. When this became known, McCulloch declared that the Constitution had failed, and tendered his resignation. This step was accompanied by a voluminous Cabinet minute, addressed to the Governor, setting forth the reason for the retirement of his advisers, and throwing all the blame of the deadlock on the Council. The document naturally attracted much attention, and it was described in an article in the *Argus* as "fairly bristling with falsehood". The epithet, though perhaps picturesquely exaggerated, was by no means inapt. Those electors whose judgment had not been dethroned by political passion weighed the Council's defence, and saw in it a sufficient justification for the use of strong language. And although the members of the aspersed House were content to use the milder form of "inaccuracies and misrepresentations," the minute they placed upon record went far to justify the trenchant terms of the daily journal.

McCulloch's indignation was very great, and he prevailed upon the Assembly to put itself in the ridiculous position of resolving that the obnoxious article was a scandalous breach of the privileges of the House, and that the printer should be summoned to the bar to answer for it. There could have been little doubt even then, and there can be none at all now, that when the Ministerial accusation and the Council's defence were placed side by side, the charges did contain much that was absolutely untrue, and much more that was gratuitously offensive in the imputation of most discreditable motives to the members of the Council as a body. But McCulloch's subservient majority were so eager to punish some one for speaking disrespectfully of their chief, that they cared little for facts. The Opposition fought hard to avert the scandal, but the resolutions were carried by a large majority. On the 20th of March Mr. Hugh George, the printer, was called to the bar, and as the House refused his application to be heard by

counsel, he declined to apologise, and boldly declared that the article complained of was "no more than a fair criticism upon a statement made by a servant of the Crown in his public capacity and in a public place". He was forthwith ordered into custody, where he proved a veritable white elephant, declining to ask for his liberty, and refusing to accept his discharge while it was accompanied by a demand for fees. In short, the outrage of his incarceration developed into such an excellent joke that it covered the Ministry with ridicule. When Parliament was prorogued on the 10th of April, the warrant under which he was committed lapsed, and Mr. Hugh George was escorted with something of burlesque ceremony from his prison, to receive an ovation from his friends in recompense for his three weeks' incarceration.

A most important resolution was carried in the Assembly on the same day that the crusade against the press was commenced. It absolutely pledged the House to withhold its confidence from *any* administration that might be formed, unless it forthwith adopted the Bill of Supply containing the Tariff, as already submitted to the Council. This objectionable form of cabal to frustrate the chances of any new Ministry was carried by thirty-seven votes to fifteen. A change of Government under such circumstances was hardly to be looked for. It had not been usual for a Ministry, strong in the popular House, to resign on account of the rejection of its measures by the Upper Chamber. But McCulloch was irritated by the opposition to his irregular practices, and he sought to show that the masses were behind him, and that no other Ministry was possible.

The Governor did not send for Mr. Fellows, the leader of the Opposition in the Council, but he wrote to inquire if he would undertake the task of carrying on the Government. After some negotiation Mr. Fellows replied that he was prepared with an administration, conditionally upon the present occupants of office making the necessary provision, constitutionally, for the public service, pending the elections of the members of the proposed new Ministry. He also stipulated that in the event of the Assembly refusing to grant such supplies, His Excellency would again grant a dissolution. The Governor, with some show of reason, said he

could not exact from the outgoing Ministry a task they had been unable to perform for themselves, and he declined to consider another dissolution, so the negotiations came to nothing. When Mr. McCulloch met the House on the 28th of March, he stated that, as no successors had been appointed, he and his colleagues would continue to administer their departments, though they had not formally accepted office.

The situation was getting desperate. There was no properly appointed Government, no legally available money. The huge accumulating amount for which Her Majesty had already been declared in default by the Supreme Court began to make the Ministry desirous of drawing a line somewhere. Civil servants were unpaid; public works at a standstill; charitable institutions were incurring overdrafts and restricting benefactions; and business generally was paralysed by monetary stringency and doubt about what was coming next. Beyond all this, Ministers knew, though it had not so far been revealed to the public, that the Home Government had sternly rebuked the Governor for sanctioning practices that were declared by the Colonial Secretary to be unquestionably illegal. The instances cited were collecting duties not legally imposed, contracting a loan without sanction of law, and paying salaries without sanction of law. In another communication the same authority had said: "You ought to have interposed with all the weight of your authority when your Ministers continued to levy the duties notwithstanding the adverse decision of the Supreme Court"; and in a still later despatch a very sufficient reason was given for these instructions: "Her Majesty's Government have no wish to interfere in any questions of purely colonial policy; and only desire that the colony shall be governed in conformity with the principle of responsible and constitutional Government, *subject always to the paramount authority of the law*".

It was evident that the Governor would be removed. The despatches were not confidential. Some of them were practically answers to the petitions which had been addressed to the Crown, and eventually they would have to be made public. McCulloch was uneasy at the impending revelations. He desired to re-introduce the Tariff Bill with some slight alteration, but the Speaker

ruled that it could not be dealt with a second time in the same session. To meet the difficulty the Governor was induced to prorogue Parliament on the 10th of April, and to summon it for a fresh session on the following day. Immediately on reassembling the Bill was hurriedly passed through all its stages and sent to the Council. Before it came on for the second reading there, news reached Melbourne of the Governor's recall, and the Ministerial minority in the Council called loudly for a conference. The Assembly promptly appointed seven members to represent them, carefully excluding Messrs. Higinbotham and Michie as irreconcilables. The conference met on 13th April, and in a few hours had come to an agreement. The Government backed down from the position they had so fiercely contended for during more than a year. They had already surrendered the claim to make the Act retrospective. They now amended the preamble, recognising the equal rights of the Council in legislation, abandoned the clause limiting the duration of the Bill, and gave a formal assurance that the Assembly in treating the gold duty as a tax, and not as territorial revenue, had not intended any coercion to the Council by including it in the Bill. The Council was thus fully justified in the stand it had made against a tyrannical majority in the other House, and the end of the first crisis was reached. A few days later Appropriation Bills for 1864 and 1865, and an advance of £600,000 for 1866, were passed through both Chambers, legitimate payments were resumed, and the citizens, relieved as from some oppressive nightmare, began to feel some sympathy for the weak Governor, who was called upon to pay so dearly for the unworthy uses to which his advisers had put him.

And truly Sir Charles Darling was not without manifold outward demonstrations of sympathy. Mass meetings and torchlight processions were held under the auspices of the most "advanced" members of Parliament, and Melbourne and suburbs rang with denunciations of Mr. Cardwell, and praises of the noble conduct of his victim. Deputations waited on the Governor, and addresses without number encumbered his office table. Unhappily, a large proportion of them were disfigured by sneers at or disparagement of his Imperial employers, and he had to listen to remarks explicitly

declaring that the free people of Australia would show the Colonial Secretary that they were not to be treated as serfs. Led away by the shallow plaudits of his irresponsible admirers, Sir Charles so far lost the sense of his position as to accept, and reply to, addresses which made him out a martyr to duty, and allowed it to be plainly seen that he resented the treatment he had received from the British Cabinet. As a matter of fact, he was not displaced for his connivance at the illegal practices of his Ministry, though sternly censured for not having made an effort to check them. His removal was rendered necessary by a splenetic attack which he made upon the character of twenty-two of the Executive Councillors who had signed the Council's petition to the Queen. In addition to vague charges of social and financial lapses against some of them, he charged the whole number with conspiracy against himself and his office, and declared that if the current of politics should ever bring them again into relation with himself, he should receive their advice with doubt and distrust. As several of these gentlemen had occupied, and were likely again to occupy, prominent positions in the Government, the Colonial Secretary was no doubt fully justified in saying when recalling him: "It is your own act now which leaves me no alternative; you force me to decide between you and the petitioners".

But something more substantial than the frothy acclamations of the crowd was devised by the Assembly whose cause Sir Charles had so intemperately espoused. A Select Committee of the House prepared an address, which, regarded in the light of the known facts, reads almost like heartless banter. The Governor had been censured by his employers for countenancing illegal procedure and for exhibiting partisanship in the political quarrel. The ground on which the Ministry had induced him to fight had been cut away from under him. The Assembly had practically surrendered their demands, and patched up a treaty of peace without consulting him. Yet the address accorded to him the credit of being the peacemaker *par excellence*. It expressed regret that Her Majesty had been advised to recall him; alleged that the colony was greatly beholden to him for his steadfast adherence to the principles of constitutional Government, and ventured the opinion that if he had

acted otherwise "the political contest, now happily at an end, would still be raging, to the great injury of the country". The fourth paragraph read: "We therefore thank your Excellency for having saved the colony from anarchy, and for having effected a settlement of the serious political differences from which we have just emerged". Finally, the committee recommended that in view of Sir Charles having been recalled for political reasons only, and of the heavy pecuniary loss he would sustain by his removal, a grant of £20,000 be made to Lady Darling for her separate use. The address was carried in the Assembly by a vote of forty to nineteen, but the recommendation as to the gratuity was postponed in consequence of the Governor intimating that he would not feel at liberty to accept the bounty of the people of Victoria until he had ascertained Her Majesty's commands thereon. He stated that he had applied for an independent tribunal, to which he desired to submit to the most rigid inquiry and investigation the whole of his conduct as Governor of Victoria.

With a view to help any such tribunal to a friendly decision, the Assembly, on the 8th of May, the day after the Governor's departure for Sydney, whence he proposed sailing for England, adopted an address to the Queen, praying that she would sanction the acceptance by Lady Darling of the £20,000 which it was prepared to vote. Pending a reply to this appeal there was a season of peace, if not of goodwill.

For three months after Sir Charles Darling's departure the Government was administered by the senior military officer, Brigadier-General Carey, and during most of that period Parliament was not in session, having been prorogued on the 1st of June. On the 15th of August Sir J. H. Manners-Sutton, who had been appointed Governor by Lord Derby's Cabinet, assumed the by no means easy office with the confidence of one well posted in constitutional law, who, as Disraeli is reported to have said of him in evidence of his fitness, was "the son of a speaker and bred up in Palace Yard".

Outside of politics the year now drawing to a close had not been eventful. In the early months, and during an acute stage of the "crisis," the whole community was deeply moved by the news

of the foundering of the steamer *London* in the Bay of Biscay with the loss of 223 lives. A large number of the passengers were returning Australians, and scores of households were suddenly plunged into mourning. Amongst the lost was the eminent scholar Dr. Woolley, of the Sydney University, the Rev. D. J. Draper, the head of the Wesleyan body in Victoria, and G. V. Brooke, the celebrated Shakespearian actor, who had been extremely popular on the Melbourne stage. The deep regret universally felt at the catastrophe was not without some sense of anger when the official inquiry showed that the steamer was faulty in construction, that her cargo, much in excess of her proper carrying capacity, was badly stowed, and that she was allowed to leave Plymouth with heavily encumbered decks, and a freeboard that could only be regarded as excusable in the calmest of seas.

When Parliament was prorogued in June, the Ministry sent their Treasurer, Mr. George Verdon, to England on an official mission in connection with the defences of the colony. In extenuation of an expenditure of some £1,700 for the expenses of the ambassador and his staff, the Ministry put forward the plea that Mr. Verdon would by his presence in London effect considerable savings in the flotation of a loan about to be offered. In reality he had nothing to do with placing the loan, which had been undertaken by the associated banks, and it is certain that any interference by him with the then recognised channels of borrowing would have been likely to be injurious, rather than otherwise. But Mr. Verdon was, in many respects, an excellent negotiator. He was well educated, well connected, and possessed of an exceptionally suave manner and address. His introductions were influential, and with the assistance of Mr. Childers and others he so far won his way with the authorities that he succeeded in obtaining £100,000 towards the cost of the *Cerberus*, an ironclad for harbour defence purposes, and the gift of an old man-of-war, the *Nelson*, for a training ship. Happily no occasion has ever arisen for testing their fighting qualities, but the generous gifts turned out expensive toys. The training ship did not attract trainees, for the colonial youth detests discipline. Much outlay was incurred in cutting it about experimentally, and at length it became such a grotesque

object in the bay that it was sold for a trifle to be broken up. The *Cerberus* reposed peacefully off Williamstown for more than a generation, and when the question of the defences became a live subject, naval experts declared her guns to be of very little use and the ship to be hopelessly obsolete.

Mr. Verdon was also charged to endeavour to combat the opposition which the British Government had offered to the establishment of a second Mint in Australia, and in this he was quite successful. Indeed, he proved throughout so popular in all his negotiations that, notwithstanding his admitted share in the deadlock, he was banqueted by the Australians in London, and, on the recommendation of the Colonial Minister, was made a Companion of the Bath. He returned to the colony in time to take part in the opening of the Parliamentary session on 17th January, 1867, and to hear an acknowledgment of the success of his mission in the Governor's opening speech. This, the first deliverance of Sir J. H. Manners-Sutton, was tame and colourless, more noticeable for its omission of any reference to strained relations in Parliament than for anything it said.

The dominant figure of this session was once more found in Mr. Higinbotham, the Attorney-General; a man who by his intensity of character, the transparent conscientiousness of his convictions, and his burning oratory, exercised a sway over the House which in Victoria has never been equalled. As a private member his extreme fairness in debate, his courteous attention to the arguments of an opponent, and his general urbanity led to the belief that he was an academic theorist, rather seeking knowledge than anxious to display it. But when he assumed the responsibilities of office it was quickly apparent that he was an extremist in action, and an unflinching devotee of his own views. And he had an exceptional power of forcing the adoption of his views upon the majority of those who came under the spell of his oratory.

That he was wrong in his crusade against the Legislative Council and the Colonial Office on the question of the "tacks" to the Appropriation Bill is evidenced by the fact that outside Victoria public opinion was wholly against him, that no one to-day would defend such a form of coercion, and that it is expressly prohibited

in the Constitution of the Commonwealth. Indeed, it was Mr. Higinbotham's impassioned declarations of the rights of the Assembly which made thousands applaud his method of concussing the Council, who cared little and who thought less about its bearings on constitutional procedure. For when the same tactics were adopted later on by Graham Berry, for the purpose of putting money in the pockets of members of Parliament, it was very generally regarded as a vulgar imitation of a desperate device, applied to attain an end wherein self-interest stood unabashed.

Whatever charges may have been brought against Mr. Higinbotham from time to time, and for some years he was the daily subject of journalistic condemnation, they never touched his personal honour. The stirring up of class strife in Australia, the hatred which the masses have been encouraged to exhibit towards the more prosperous of their fellow-colonists, the belittling of the Second Chamber of the Legislature because it was elected by a restricted suffrage, these and kindred movements have usually been the work of scheming demagogues with personal ends to serve. But it was universally recognised that the element of self-seeking was conspicuously absent in Mr. Higinbotham throughout his whole career. His devotion to his official duties was exceptional. When he accepted the position of Attorney-General he declined all private practice in his profession, and he worked for his salary with a close application that made the Civil Service uneasy.

Though it sounds paradoxical, it may be said that his weakness as a politician was the result of his strength of character. Having once deliberately made up his mind that the course he proposed was the right one, nothing could deflect him from it. He was contemptuous of expediency, scornful of Opposition clamour, and declined to escape defeat by accepting compromise. Some phases of his character appear inexplicable from the strange contradiction they involve. An Irishman—who in lofty phrase and burning words had denied the right of the Colonial Secretary to offer an opinion upon the legality, or otherwise, of the proceedings of a Colonial Ministry; who had expressed his readiness to ignore that official if but the people of Victoria were united in their own interest—he was yet an outspoken opponent of Home Rule, and

a denouncer of Parnell and all his ways. His antagonism to the Legislative Council was open and undisguised. He would gladly have seen it abolished, as a hindrance upon the free expression of the will of the people, which he mistakenly considered was alone expressed by the Acts of the Assembly. An unreasonable assumption that the Council only represented wealth and vested interests made him unjust in the face of opposition, and some of his bitterest philippics were displayed in deriding what he called the "pretensions" of its members, for whom and their supporters he coined the contemptuous epithet, "the wealthy lower orders". He believed that the theory of a Second Chamber even as a court of review was unworkable, and he persistently opposed all propositions to liberalise the Council by extending its franchise and bringing it more under the control of the electors.

Severed from politics George Higinbotham was one of the most unselfish, sympathetic and lovable men in the community. If his dreams for a truly patriotic democracy were hopelessly optimistic, it was because he based his opinion of the people, not on the precise data of the student of sociology, but upon an abstract idea of which his own individuality was the basis. Generous even to prodigality with his own means, he somewhat hastily associated the idea of wealth with hardness of character and narrowness of mind, and his too frequent expression of that opinion was greedily seized upon by the champions of labour as vindicating their onslaughts on capital.

He was certainly the most striking figure in Victorian politics, but his convictions were urged with such a fiery intensity that even those of his followers who most admired him could not keep up the pace. He gradually fell apart from the ruck of legislators, depressed by his unrealised dream of Government by the people, brain-weary of the deplorable waste of time over trivialities, the jealous rancour between the ins and the outs; and at length it wrung from him an expression of belief that political life was "a sort of pandemonium in which a number of lost souls are endeavouring to increase one another's torture".

Such was the man who, being dissatisfied with the Ministerial surrender in the matter of the first "tack," was quite ready to revive the fray, and bring it to an issue in which there should be no

compromise. The occasion soon arose. On the 19th of February the reply of Lord Carnarvon to the address of the Assembly seeking Her Majesty's sanction to Lady Darling's acceptance of the £20,000 was laid before the House. It was an emphatic declaration that such a proceeding would be contrary to the regulations of the Colonial Service, which had hitherto been rigidly enforced, and their violation could not now be sanctioned while Sir Charles remained in that service. The ex-Governor, believing that the grant by the Victorian Parliament was safe, worried by his necessities, and to some extent misled by his correspondence with the Colonial Office, thought to expedite a settlement by resigning the Queen's Service. When the Victorian Ministry were advised of this step, they, assuming that the Imperial objection to the grant was now at an end, induced the Governor to send down a formal message to the House in July, intimating that Sir Charles Darling had "elected finally to relinquish the Colonial Service," and thereupon introduced a batch of supplementary estimates, wherein the £20,000 was included.

On the 1st of August the debate in the Assembly began with a speech from Mr. R. D. Ireland, in which he exhaustively reviewed the conduct of the late Governor, and unhesitatingly condemned the grant. Read apart from the exciting local surroundings the speech of Mr. Ireland appears calm and dispassionate, but it stirred Mr. Higinbotham to fierce retort. He declared that the vote should have been passed in silence by the House, and at the conclusion of an impassioned speech he said, in a burst of invective: "It is not merely a compensation to Sir Charles Darling, it is not merely a renewal of the expressed opinion of this House on his merits, but, when it is passed, it will be a decisive condemnation of those who pursued Sir Charles Darling through his whole political career and who now avow themselves his unrelenting enemies. . . . It will be the censure of the Legislative Assembly upon the constitutional faction of 1865. . . . I rejoice that the vote will brand the enemies of Sir Charles Darling, who pursued him while here, and who do not desist from that pursuit now. I will tell those honourable members that I have always considered the faction to which they belong as the very vilest faction by which this country has been cursed."

Such heated language addressed by a Minister of the Crown to the Opposition would soon make political life insupportable. The debate had to be adjourned to enable members to cool down. The Ministry, safe in their majority, checked the tendency to rush into the fray, and speeches by their supporters were discouraged. Mr. C. E. Jones was put up as the chief supporter of the Attorney-General, for his glib fluency had won him a great reputation in the Eastern Market. He had the honour of filling twelve columns in the pages of Hansard with what he declared to be the people's view of the question. It was only towards the close of the debate that Mr. McCulloch entered the arena. Oratory was not a strong point with him, but after a vigorous defence of himself from the charges of suppressing despatches in connection with the late Governor's recall, he declared the proposed grant not only equitable, but necessary to maintain the honour of the House. He would not submit it in a separate Bill, and it should, and must be passed where it was, in the Appropriation Bill. The principal speakers for the Opposition after Mr. Ireland were B. C. Aspinall, Edward Langton and Duncan Gillies, but argument was of no avail, and by forty-two votes to fifteen the grant was approved. The minority continued the struggle at every stage of the Appropriation Bill to avert a renewal of the grievous quarrel of 1865. It was known that an able committee of the Council had ransacked the records of the British Parliament for precedents as to grants of money under exceptional circumstances. The result favoured the view that in all cases where there was a doubt of unanimity between the Lords and Commons, such grants were made the subject of a separate Bill.

But the Assembly would not hear of the Council being allowed to consider the grant on its merits. It must be accepted in the Appropriation Bill, unless the Council was prepared to throw the finances of the colony again into disorder by rejecting that measure, with all its legitimate provisions. Naturally the members of the Council were indignant at this domineering attitude, and they were further irritated by the discovery that the Ministry had in this Bill reverted to the old form of preamble, in place of the one adopted at the conference in April, 1866, wherein the concurrence of the Council in supply had been recognised. Although such an abro-

gation of a treaty was a tacit declaration of war, the Council ignored it at the time, and on the 20th of August rejected the Bill on the ground that the disputed vote was included in violation of the usages of the Imperial Parliament, which were binding on the Victorian Legislature; and further, that the vote was in itself unconstitutional and mischievous, distinctly tending to corruption in the public service. Two days later the Governor received important State Papers from each of the conflicting bodies. The Council hastened to give their reasons for objecting to the grant to Lady Darling, both as to substance and form, but intimated that if the objectionable item was withdrawn, the Appropriation Bill for the general supplies would be promptly passed. The memorandum submitted by the Ministry was more embarrassing. Mr. McCulloch was averse to a dissolution except as a last resort, because he believed that however unanimous the verdict of the country might be, the Legislative Council would be equal to ignoring it. Therefore he recommended the Governor to prorogue Parliament with a view to immediately inaugurating a fresh session wherein the Bill in dispute could be sent up again to the Council, payments being meanwhile made under the provisions of the Crown Remedies Act. The Governor considered the prorogation premature until he had consulted those who were responsible for the rejection of the Appropriation Bill, whereupon the Ministry resigned. On the 23rd of August the Governor sent a memorandum to Mr. Fellows, the leader of the Opposition in the Council, inviting his advice on the question at issue. Mr. Fellows declined to give it unless he were placed in the position of a Minister, and after some further resultless correspondence with Mr. Fraser, M.L.C., His Excellency asked the McCulloch Ministry to withdraw their resignation, and agreed to follow their advice. A temporary Supply Bill was passed in the Assembly and sent to the Council. It not only had the objectionable preamble, but its legality was open to question, as it covered a round sum of money which had not been appropriated to specific purposes by Act of Parliament. Nevertheless, to save confusion, the Council reluctantly passed it, with a proviso that the vote in dispute should not be paid out of the money thus made available.

Parliament was prorogued on the 10th of September, to meet

again on the 18th. The Governor sent a message to both Houses on the 2nd of October recommending them to concur in the vote to Lady Darling, because Sir Charles had thrown up his appointment in reliance upon receiving it, the implication being that a refusal would look unpleasantly like repudiation. The Council declined to be directed, but replied that if the grant was submitted in a separate Bill it would receive their most earnest consideration. There is evidence that the Governor urged this course upon his advisers, and that more than one of his Ministers regarded it favourably, but it was recognised that the majority in the Assembly were not amenable to discipline on this point. So by the middle of October the Appropriation Bill reached the Council in the old form, and was rejected. Another temporary Supply Bill was proposed, and the Chief Secretary suggested the dissolution of the Assembly on the understanding that the decision of the people should be final. Several of the members expressed their dissent. They asked why they should be penalised by going to the country when they had never been given a chance of voting for the grant in a separate Bill. They declared that they were sacrificed to keep the Ministry in office. The temporary Supply Bill was brought in for £500,000. The Ministry, though urged by the minority, and specifically charged with illegality by Mr. Duffy, refused to specify the services for which the money was required. They relied on the Council repeating their forbearance of last session. Mr. McCulloch fiercely declared that he would compel the Council to give way, and he boisterously applauded a supporter who declared that the Assembly was quite prepared to govern the colony without the other Chamber. Mr. Higinbotham pooh-poohed the fictitious importance attached to an Appropriation Bill, which he said was after all "nothing more than a form".

The Council was indignant that its concession to expediency in the last session should be turned into a precedent. On the 5th of November, by twenty votes to eight, the Bill was rejected. Three days later Parliament was prorogued with a view to its dissolution, which was gazetted on the 30th of December, the general election to take place in February, 1868. The suspension of Government payments in the interim had been met by a revised use of the Crown Remedies Statute. The former practice of getting

money from a bank in round sums for such payments was discontinued for two sufficient reasons. The Governor would not consent to what looked like a conspiracy to defeat the law, and if he had done so, the source of supply was dried up, for the London Board of the bank had put their veto on the granting of such accommodation. But the Crown Remedies Act gave all creditors of the Crown a right with which the Governor could not interfere, and when the Treasurer announced that such claims would not be defended, a rush of litigants soon provided a season of profitable activity for the legal fraternity.

Meanwhile, by the aid of Loyal Liberal Conventions and other outlets for the most advanced radicals, a loud manifestation of sympathy with the Ministry and antagonism to the Council spread through all the large centres of population. In Melbourne, towards the close of 1867, the demonstrations in the form of public meetings were manifold and vehement. The Exhibition Building, the Eastern Market, the theatres and public halls, even the surrounding park lands were overrun by mass meetings, where the speakers were riotously unanimous for sweeping away the obstructive Council. Mr. Higinbotham declared to a huge gathering that all that was required for good Government was a representative of the Crown and the representatives of the people. The third estate which they had foolishly created was an oligarchy of wealth, insolently claiming to be the principal of the three. It was in vain that the constitutional party pointed out the inevitable tyranny of an unchecked Assembly. It was with difficulty any of them could get a hearing, and some of their meetings were broken up by violence. The fighting spirit was abroad, and to ensure a conflict to the bitter end, the cheering crowds returned the Ministry with an increased majority to meet Parliament in February.

Before the Assembly met the Governor received a despatch from the Colonial Secretary, the Duke of Buckingham, which said: "You ought not again to recommend the vote to the acceptance of the Legislature, except on a clear understanding that it will be brought before the Legislative Council in a manner which will enable them to exercise their discretion respecting it, without the

necessity of throwing the colony into confusion". His Excellency passed these directions on to his Ministers, who promptly intimated that they would not submit to any dictation as to what they should include in the Appropriation Bill, and therefore they once more tendered their resignations. This was on the 6th of March. Parliament was to meet on the 13th, and the harried Governor passed a feverish week in seeking fresh advisers. Mr. Fellows, who had resigned from the Council and been elected to the Assembly, was the first applied to, but his stipulations were unacceptable, and other members of the Opposition were tried without success. Parliament was duly convened, but there was only a Ministry holding office until their successors were appointed. No speech, no policy, no money available. In the absence of Mr. McCulloch from illness, the Attorney-General led the House with sixty supporters, eager for action but powerless to proceed. The Governor again appealed to his advisers to withdraw their resignation, but McCulloch refused, unless he was allowed his own way in dealing with the Council. Although His Excellency had received a later despatch from the Duke of Buckingham, in which that official qualified his previous instructions, by saying that the Legislative Council should no longer oppose itself to the ascertained wishes of the community, the Governor did not feel justified in active interference, and renewed his somewhat hopeless search for a Ministry. Two months had passed away in formal meetings and immediate adjournments of the Assembly. Nothing had been done, and public meetings were again in evidence to denounce the waste of time, and to urge revolutionary methods.

At length, on the 6th of May, it was announced that Mr. Sladen had formed a Ministry, which was represented in the Assembly by Mr. Fellows as Minister of Justice, Mr. Edward Langton as Treasurer, Mr. Duncan Gillies at the Lands Office, and four other members of the attenuated Opposition in that House. Two of the Ministers failed to retain their seats, and of course a Government absolutely unable to command a quorum of members could do no business. The Opposition had only to absent themselves to bring everything to a standstill. But they did not adopt those tactics. When the House met on the 6th of June a huge majority at once

declared it had no confidence in the Government. As they did not resign, they were subjected to many indignities, the formal business of the House was taken out of their hands, and the Governor was petitioned to dismiss them. An offer by Mr. Fellows to introduce the Darling grant in a separate Bill was curtly rejected, and his concession to expediency won no approval from supporters or from the Opposition.

Finally, a resolution was passed pledging the House not to grant the Ministry any supplies. Thereupon they resigned, after a stop-gap existence of sixty-six days, and once again Mr. McCulloch, with some important changes in his colleagues, took possession of the Treasury benches. Mr. G. F. Verdon had been appointed Agent-General in London for the colony, and took his final farewell of local politics. Mr. J. G. Francis declined to resume his old place at the Customs. The Law Officers of the new team were Messrs. Geo. Paton Smith and J. J. Casey, replacing Messrs. Higinbotham and Bindon. Mr. Higinbotham refused to again accept the responsibilities of office, but for old association's sake he consented to act temporarily as an unpaid member of the Cabinet.

The Sladen Ministry, though apparently occupying a rather contemptible position, had really done an important service. It had held McCulloch at bay just long enough to prevent him from committing the Assembly to an attack upon the Governor and his instructions, the end of which would probably have been deplorable on any issue. The domineering tone adopted by him at this time in Parliament, and in his communications with the Governor respecting his despatches, show that he was determined to bring the Queen's representative under the heel of authority, and to compel him to be a party to forcing the Darling grant upon the Council in the way the Assembly desired. The solution of the difficulty came from without. The day before Mr. Sladen resigned, a message reached the colony that the man over whose proceedings so much angry talk had been expended had made his peace with the Colonial Office, had withdrawn his resignation, and now intimated that under his altered circumstances neither he nor Lady Darling could accept the generous bounty of his Victorian admirers. His claim for some

lapsed emoluments of his office was readily met, and the Imperial Government granted him a pension of £1,000 *a year*, dating it back to the day of his recall. Some two years later, when he died, the Victorian Parliament generously and unanimously voted the continuance of the pension to his widow for her life.

So came to an end a contest between the two Houses, which during three years had evoked more angry feeling and bitter recrimination than the Victorian community has probably ever experienced. There were serious collisions in later years, but the contending parties were more equally divided, and in the public eye they were mere squabbles compared with the tidal wave of popular excitement which Mr. Higinbotham evoked and directed. The numbers were overwhelmingly against the Council, and against any check, foreign or domestic, on the absolute rule of the Assembly. Loud and defiant was the talk at mass meetings of repudiating anything in the shape of interference, and many were the speeches in which the readiness of the people to "cut the painter" was alleged rather than submit to it. But the sedition of the mob evaporated in words, and the colonists who had any stake or interest in the country felt an immense relief when a happy chance closed this threatening episode before it developed into civil strife, and possible ruin for many.

However much popular opinion may have been influenced against the Council, its attitude throughout was simply one of defence. The speeches of its members, with very rare exceptions, were moderate in tone, and free from the aggressive and threatening language so freely used in the Assembly. No doubt while they fully believed they were standing out for the rights which the Constitution conferred upon them, and were consciously free of seeking any personal ends, they were yet sensible that if the whole of the 12,000 electors whom they represented were heartily with them, it was but a small set-off against the many thousand votes which their opponents could command. A desire for a larger popular support possessed them, and Mr. Sladen, during his brief tenure of office, introduced a Bill for widening the franchise of the Council, by reducing the property qualification of both members and electors by one-half. He sought the assistance of Mr. McCulloch

to make the measure acceptable to the other branch of the Legislature, but that gentleman declined to offer an opinion on the subject. Doubtless he was influenced by the knowledge that Mr. Higinbotham would certainly oppose it. Therefore the Bill was launched in the Council, where it passed after some very vigorous protests from Mr. Fawkner. When it reached the Assembly that body, somewhat weary of the long-continued strife, allowed it to go through almost without comment in the closing days of the eventful session which expired on the 29th of September, 1868. The Act came into force on the 1st of January following, and its immediate effect was to increase the number of electors of the Upper House to nearly 20,000, which number had grown to over 30,000 by the time the next amending Act was passed in 1881. Necessarily any material alteration in the personnel of the members was a matter of slow growth while the tenure of seats remained at ten years, and to meet this objection the term was reduced to six years when the revision above referred to took place.

CHAPTER VI.

POLITICAL AND SOCIAL SURVEY OF THE EARLY SEVENTIES.

During the period covered by the preceding chapter public attention had sometimes been temporarily diverted into more cheerful channels than those torrential disputes which rent the political world. One of these intervals of abandon marked the visit of the Duke of Edinburgh, the second son of Queen Victoria, who arrived in command of the *Galatea*, and landed at Sandridge on the 23rd of November, 1867. All classes of the community vied in expressing their regard for the young sailor Prince in his representative capacity, and during a stay of six weeks he received over 120 addresses from all sorts and conditions of men. The members of the Legislature, members of Corporations, City, Town, Borough and Shire; the University Council; the heads of all the churches; the old colonists, Oddfellows, the Civil Service, through all possible grades down to the Chinese residents of Melbourne, declared in slightly varied terms, and with the aid of more or less brilliantly illuminated parchment and gilt morocco, their loyal and dutiful attachment to Her Majesty, and the pleasure they felt in welcoming the son of such a noble mother.

Of the adult population at this date fully two-thirds were immigrants from the old world, and it is easy to understand how such an event stirred national feeling. It was deeply impressed upon the children—the founders of the coming Australian Natives' Association—by the prominent part allotted to them in all the public welcomes, when throughout the colony thousands of infantile voices were lifted up in the National Anthem. Preparations for the reception had been made on a generous scale. Parliament voted £15,000 in anticipation. When all the bills were paid the total was nearer £40,000; and if to this was added the outlay by

municipal corporations, public bodies and the representative institutions of commerce and banking, the total did not fall short of a quarter of a million sterling. But if the jubilation was somewhat extravagant, it must be remembered that the occasion was unprecedented; the colonists as a rule were prospering; the season was good, the weather superb, and enthusiasm was the order of the day. The visit came at an opportune time, at an acute crisis in the deadlock, when the Assembly had just been dissolved for an appeal to the country. The ugly mutterings about separation received a check. The fickle mob, which had been unsparing in the use of invective and threats against the Colonial Secretary of State, now rent the air with cheers behind the carriage of the representative of that authority they had but yesterday so fiercely denounced. The order-loving citizens were glad of the opportunity to show the hollowness of disloyal talk, and they grudged neither trouble nor expense in doing so. For a week Melbourne was delirious with excitement. The streets were spanned with numerous theatrical arches; by day they were gay with bunting and at night ablaze with illuminations. Balls, garden-parties and picnics; special race meetings and cricket matches; firework displays in the public parks, al fresco banquets and torchlight processions filled up the hours. Business was left to take care of itself, and the streets were thronged continuously with a pleasure-seeking crowd. There was only one deplorable fiasco. It had been proposed to mark the occasion by giving a free feast to the poor, but the liberality of the donors was so excessive that the tons of provisions sent in would have provided for twenty times the number who could properly come under that designation. The consequence was that the feast was thrown open to all who chose to come, and a surging crowd of 50,000 people gathered around the reserve in Richmond Park early in the day. Arrangements had been made by which about one-third of this number might—with reasonable patience—have obtained some sort of accommodation. But the Prince did not arrive, the day was oppressively hot, and when the hour for the banquet was long past, the crowd got out of hand, broke down the barriers and rushed the provisions. As the hogsheads of ale got broached, and the fountain of colonial wine was invaded by the

bearers of tin dippers, and even buckets, the crowd naturally grew more unruly. Heaps of viands were looted and wasted, and the roughs, jostling the women and weaklings, ended by pulling down the tents, smashing the tables, dispersing the attendants and trampling the edibles under foot. Prince Alfred, who had been detained at some other function, arrived just as the *débâcle* commenced, and he was persuaded by the police to turn back, lest his presence should increase the danger of sudden panic amidst such a tumult. Finally, a force of mounted police had to be brought on the scene to clear the ground, which was done with so much skill and forbearance that no serious casualties resulted. But the episode was long remembered as a discredit to Melbourne.

After a week in the capital the Prince proceeded on a tour of the colony, visiting Ballaarat, Castlemaine, Sandhurst, Geelong, and the most picturesque parts of the Western District. Everywhere he was greeted with enthusiasm, and he finally departed for Hobart on the 4th of January, 1868.

The day before the new Parliament assembled news reached Melbourne that Prince Alfred had been shot by a fanatic at a picnic at Clontarf, on Sydney harbour, and it fell to the lot of Mr. Higinbotham to move an address in the Assembly, recording its detestation of the crime, which he said had excited one universal thrill of horror and indignation in the mind of every man in all the colonies. Happily the victim of the murderous attempt, though severely wounded, made a rapid recovery, and the loyal feeling which had been stimulated by his visit was further intensified by his miraculous escape.

The McCulloch Ministry were not destined this time to a long tenure of office. Mr. Duffy, who had been absent in Europe during the earlier stages of the deadlock, had returned, and had been elected for Dalhousie in September. He took an active part in opposing the inclusion of the Darling grant in the Appropriation Bill, though he declared that the honour of the colony appeared to be so far implicated that he would vote for it in a separate measure, if reserved for the Queen's assent. He reminded the Government, however, that if it were proper to compensate the Governor for losses sustained in a party contest, the money ought

to come out of party funds, not out of the Treasury, which belonged equally to his opponents and his supporters. His advice in this matter was smilingly put aside, and he waited his opportunity. His sense of Parliamentary propriety was outraged on learning that the Chief Secretary held so poor an opinion of the capacity of members as to have appointed Mr. George Rolfe, who was not a member of Parliament, to the position of Minister of Customs. Mr. Duffy worked upon the irritation of the Ministerial supporters so effectively that one of them, Mr. Robert Byrne, an unknown and untried man with no political experience, was induced to move a vote of want of confidence, which was promptly carried. Following constitutional practice the Governor commissioned Mr. Byrne to form a Ministry. Naturally that gentleman offered the lead to Mr. Duffy, the real mover, but he did not see his way to a working majority, and declined the responsibility. A Cabinet was eventually got together, chiefly from the supporters of the defeated Ministry. Mr. J. A. McPherson, a comparatively young squatter with conservative instincts, took the lead as Chief Secretary, Mr. Byrne taking the Treasurership, but losing his seat in the effort. He was defeated by the Mr. Rolfe whose Ministerial appointment he had challenged, and paid dearly for his temerity, never being able again to secure a seat in Parliament.

The epidemic of rapid Ministerial changes that was doing so much to discredit the capacity of the people for self-government, and to nullify all efforts at deliberate constructive legislation, gave the McPherson Ministry an existence of 200 days. Although it was composed almost entirely of the discontented followers of McCulloch, the straight Opposition agreed to give it support, in the hope of breaking up the dominant power of the late Chief Secretary. With the exception of B. C. Aspinall, who was Solicitor-General, all the Ministers were novices, and none of them were conspicuous for ability. Circumstances favoured them in dealing with the interminable land question. They inherited from Mr. Grant the substance of an amending Act, to which he had given long consideration, and on this basis they had the satisfaction of placing on the Statute Book the Land Act of 1869. This Act, which consolidated and amended all previous legislation on the

subject, remained in force until 1878, and under it the largest and most rapid agricultural settlement was effected. It fixed the period of probationary holding at three years, at a rental of 2s. per acre per annum, and if at the end of that time the required improvements had been made, and the conditions of residence complied with, the selector could obtain a freehold title on paying 14s. per acre, or could spread that payment over seven years without interest. It abolished the condemned feature of drawing lots, and substituted strict priority of application. It reduced the size of selections from 640 to 320 acres. In abolishing the hitherto prescribed "agricultural areas," it threw the whole country open to selection before survey. Finally, it provided that £200,000 a year out of the proceeds of this wholesale alienation should be set aside in a trust account for the redemption of railways loans and for further extensions. Some portion of the accumulations from this source was undoubtedly applied to construction, but the facility with which Colonial Treasurers can use trust funds in seasons of pressure precluded any chance of reduction of the ever-increasing debt. The flagrant violation by successive Governments of the 38th Section of the Land Act of 1862, which was supposed to be in force until the passing of the 1869 Act, might have warned the people of the small value to be placed on provisions of this nature. The section in question required that one-fourth of the net receipts from the sale or leasing of Crown lands should be appropriated strictly to assisted immigration. The instructions were practically ignored, and it seemed that no one felt called upon to denounce so gross a failure of duty.

Under the Land Act of 1865 3,500,000 acres passed into private hands. Under that of 1869 nearly 11,000,000 acres were alienated. During the currency of the former Act the land under cultivation increased from 470,000 acres to 700,000. Under the operations of the latter, between 1869 and 1878, it grew to over 1,400,000 acres, producing enough to feed the colony and leave a large surplus for export. The district most favoured by the selectors of this period was the lower valley of the Goulburn, extending from Seymour down to the Murray, embracing a large part of the counties of Dalhousie, Moira, Rodney and Bendigo. The country, as a rule,

was lightly timbered, and though it had not been regarded as first-class land for grazing, it proved, when cleared, to be wonderfully suitable for wheat, and, in some places, for most prolific orchards and vineyards. During the decade following the passing of this Act important towns sprang into existence, or developed from humble collections of shanties—Nagambie, Murchison, Mooroopna, Shepparton, Tatura, Nathalia, and a dozen other centres of commercial activity, were the direct product of the settlement fostered by this Land Act. Though there were many failures from inexperience, much hardship from want of capital, the fittest, with the assistance of the banks, managed to survive, and gradually to buy out the weaker brethren. In the course of ten or a dozen years they had made the Goulburn valley known far and wide as the area wherein the finest wheat and the finest fruit in Victoria was produced.

The Act came into force on the 1st February, 1870; it was passed through both Houses with comparatively moderate debate, and Parliament was relieved for several years from dealing with a question which had hitherto invariably evoked unnecessary warmth in discussion.

Having served the temporary purpose allotted to them by the wire-pullers, the McPherson Ministry were put out on the 9th of April, on the Treasurer's budget statement. Mr. Graham Berry had taken up the financial rôle from the incapable hands of the rejected Byrne. In the speech on the 8th of March, in which he submitted a voluminous review of the colony's balance-sheet, he did protest too much. It was one of the most complicated financial statements to which the House had ever listened, and the debate on it extended over a month. Then the Estimates were returned to the Ministry for revision, with a mandate that the expenditure of the country must be kept within its income. Mr. Berry failed to work the sum, and Mr. McPherson thereupon tendered his resignation.

The Cabinet which Mr. McCulloch formed in April, 1870, comprised a far stronger and more experienced group than the one it displaced. The brilliant Archibald Michie was Attorney-General, and Mr. H. J. Wrixon, Solicitor-General. Mr. J. G. Francis took charge of the Treasury, and Mr. T. T. A'Beckett represented the

Ministry in the Upper House as Commissioner of Customs. But the surprise of the day was the acceptance by the defeated Chief-Secretary McPherson of the office of Minister of Lands in the camp of his late opponents. The extreme radical party were indignant at the control of this important department being given to a squatter, and Mr. McCulloch's growing conservatism was gloomily commented on.

The advantage of having a responsible Minister in the Legislative Council was made manifest in one of the earliest measures of the new Ministry—a Bill for the abolition of State aid to religion. Since 1855 the Government had divided £50,000 a year amongst the sects in proportion to the numbers disclosed in the census returns. Two or three of the smaller denominations had refused to accept their share, which reverted to the consolidated revenue. These were enthusiasts for the voluntary principle in Church matters, and they raised a good deal of clamour against contributing, through the taxes, to the possible endowment of error. Most of the churches were distinctly unwilling to surrender the aid, but the objectors found strong support in the many thousands who looked with an unfriendly eye on all churches. What passed for public opinion was brought to bear with so much force on McCulloch that in 1869 he brought in a Bill to reduce the grant by £10,000 a year until it was extinguished. The proposal commanded a large majority in the Assembly, for the churches were then decidedly unpopular by reason of their outspoken opposition to the demand for a compulsory and strictly secular Education Act. In the Council, however, the Bill was rejected on the motion of Mr. A'Beckett, a prominent member of the Church of England, and legal adviser of the diocese, and shortly afterwards McCulloch went out of office. Now he was again in power, and having made this question and that of education prominent subjects in his recent election addresses, he brought in the rejected Bill once more. Having Mr. T. T. A'Beckett in the Cabinet, he probably found it easy to convince him that the public demanded the abolition of the subsidy and that opposition was vain, for this time it passed both Houses by a substantial majority, and the churches after 1874 were left to depend upon their own resources.

Mr. McCulloch, divorced from active association with Mr. Higinbotham, was no longer the popular idol. The accusations so liberally brought against him of personally profiting by the tariff changes had been explained away and forgotten, but it was known that he was largely interested in a conservative administration of the Land Act, both as a holder of property and as a mortgagee in his business. The world had prospered with him, and with that prosperity came some doubts about the wisdom of the radicalism of which in his younger days he had been an exponent. The popular cry was that he had gone over to the enemy. Mr. Duffy, who was very frequently in conflict with him, more than once declared that his retention of office for so long was due to political corruption; but then Mr. Duffy never could see anything but wickedness and malignity in an opponent. In one passage in his autobiography Mr. Duffy says: "Mr. McPherson, as Minister of Lands, made such large reserves on various pretences, that a map of the colony in which the reserves were marked in red, and the land sold in blue, looked like a shawl of the McPherson plaid; and it was an aggravation of the wrong that his chief, Sir James McCulloch, the largest owner of squatting runs in the colony, got an inordinate share of these reserves."

Despite this ungenerous comment there does not appear to have been any glaring cases of *mala fides* in connection with the Land Act at the period indicated; at any rate no such charges were made at the time. It was the Protectionist party, clamouring unsuccessfully for largely increased duties, that overthrew the Ministry. Mr. McCulloch was by conviction a believer in the freedom of commerce; expediency had induced him to assist in giving Protection a start, but he had already learned how much easier it was to set it going than to resist its demands for permanent support.

Under various pretexts the expenditure of the colony was being continuously, and often most unjustifiably, increased. Unable to stem the tide of this extravagance without incurring unpopularity, McCulloch sought to increase the revenue in a corresponding degree by the imposition of a property tax of sixpence in the pound. Duffy, as the representative of an agricultural constituency, promptly took up the cudgels in defence of the poor farmer, and Graham Berry took the platform in the interest of the manufacturers. The com-

munity was at this time fairly prosperous, and a large proportion of the small traders and artisans lived in their own houses. These modest properties were the result of thrift, and to tax thrift was of course shown to be equally unwise and unjust. They wanted a property tax on the wealthy classes, quite oblivious of the fact that the wealth was in nearly every case equally the product of thrift and industry carried on over a longer period. In all probability many of them were already on the high road to affluence, but in the meanwhile they did not want an impost which directly affected them. Mutterings of dissent from so large a body of electors made members anxious not to offend, so they gradually drew away from McCulloch, who had again to bow to an adverse majority, and after an occupation of fourteen months to vacate the Treasury benches.

Mr. Charles Gavan Duffy now came to the front; no longer under the wing of O'Shanassy, who had been relegated to the obscurity of the Legislative Council, but as Premier of the colony and chooser of his own colleagues. He took Graham Berry for his Treasurer, for, while he always claimed to hold Free Trade views himself, he saw the futility of opposition to the growing demand for Protection, and he well knew that Berry was the man to ride triumphantly on the crest of the wave of any movement stirring public feeling. Mr. Duffy could not persuade any men of standing at the Bar to join him, and the Law Officers he had to put up with were weak and obscure. As some compensation he gained strength by appointing J. M. Grant as Minister of Lands, for he was not only widely popular, but had enjoyed an unusually long experience of the office in previous Ministries. In Francis Longmore and W. M. K. Vale he had a couple of ultra-radical fighters of the vehement sort. He failed to secure the services of any member of the Council as a responsible Minister, and had to rely upon gratuitous service there to plead his cause. This had been too often the case in the past, and was undoubtedly one of the causes of the want of concert between the Chambers. But Mr. Duffy was not a man to be discouraged by adverse surroundings. He was a host in himself. "I undertook the administration of public affairs," he writes, "with the confident determination that *for once* there should be a Government framing large and generous projects, and against

whose exercise of patronage, or encouragement of enterprises no man could utter a just reproach."

Alas! the reproaches, just or unjust, began to dog his footsteps ere he had fully settled to work, and eventually overthrew him within twelve months. If his exit was made to look rather paltry by the triviality of the specific charge on which he fell, his entry upon the career of Chief Secretary was a dramatic State progress. He unfolded his policy at Kyneton on the 26th of June, and the liberality of his programme justified the wild enthusiasm of his constituents. He rejoiced the hearts of the local farmers by stating that he was not opposed to direct taxation, not even to a land tax, so long as it was equitable. But it must be a graduated tax, beginning with owners of over 640 acres and increasing in a ratio proportioned to the quantity of land held by one person in an unproductive condition. He declared that he did not believe in the financial deficit alleged by his predecessors, but if it really existed it must have been due to the muddling methods of the late Treasurer. In any case, he said he would meet it without imposing fresh taxation on industry. He skated lightly over Protection. He might be assenting to something he would not have spontaneously proposed, but the country having decided upon the experiment, he believed that effect could best be given to its wishes by a Government which included men of both parties. State education, the attempted settlement of which by Mr. Higinbotham had been recently defeated, was to be an open question in the Cabinet. Mr. Duffy's trump card, however, was an improved administration of the Land Act, whereby dummyism, favouritism, absenteeism, and all other monopolistic tendencies, which he alleged Mr. McPherson either established or perpetuated, were to be swept out of the land. Departmental regulations, rigidly enforced, were to take the place of tedious legislation. New industries were to be developed. Skilled labourers from France, Germany and Spain were to show the plodding but ignorant colonists how to annex the profits from dried fruits, olive oil and tobacco. And the women of Australia were to lay the foundations of their individual fortunes by tending the hitherto neglected silk-worm. Reading Mr. Duffy's eloquent periods calls up visions of an impending Arcadian existence. But the rough

and tumble of Australian politics sadly blocked the realisation of these agreeable dreams. A generation has passed and seen no triumph of the industries so alluringly propounded. Dried fruits have indeed been produced at Mildura, at the cost of enormous losses of capital to the confiding shareholders and entangled creditors, who financed that experiment. Olive oil could not stand against the competition of South Australia, where it had been produced for a quarter of a century. Victorian tobacco is almost unknown in the world's market, and the silk-worm, after being for a time an interesting but tedious toy, took himself off to more congenial surroundings. While these results were undisclosed, Mr. Duffy's picturesque oratory won over the people, and he toured the colony as the prophet of the good time coming, entertained at innumerable banquets, cheered to the echo after every speech, and generally glorified by the country press. It looked as though nothing could hinder his triumphal march. Yet things were not what they seemed; there were conspiracies afoot. To quote his own words: "The wealthy classes, to whom free selection means extinction, the party who had held power so long that they deemed themselves robbed of their inheritance if any other intruded into that domain, and the free lances fighting only personal ends, were agreed upon one point—to disparage and misrepresent whatever we undertook". Something more than a fear of the schemes of so insignificant a minority as the "wealthy classes" represented must have prompted this wail. The atmosphere of Parliament was beginning to be ominous of hostile votes. Mr. Fellows launched the first attack. It arose out of some proceedings at a colonial conference in which Mr. Duffy had taken part in Sydney, and implied a censure on the disloyalty of his utterances. Mr. Duffy vindicated himself with such impassioned rhetoric that, he says, "tears overflowed the eyes of hardened politicians," and they gave him a triumphant majority.

However much Mr. Duffy might be able to work upon the feelings of politicians, his eloquence could not charm away the hard facts of adverse finances. His Treasurer soon found that the prospective deficit, so flippantly ignored, was a reality after all. Mr. Berry was not dismayed by the discovery, and promptly engineered a revision of the tariff, which doubled the *ad valorem* duties over the

whole range of soft goods and hardware, and brought into the fiscal net much that had hitherto escaped. The additions were estimated to increase the Customs revenue by £200,000 per annum, and the ledger was pronounced to be squared. On the 23rd of November Parliament was prorogued, and Mr. Duffy enjoyed five months of recess to mature his reforms.

Sir George Verdon, who had been knighted during his tenure of office as Agent-General, sent out his resignation of that post, having received an important banking appointment. Mr. Duffy was quite confounded by the rush of applicants for the vacancy. Mr. Francis made overtures to secure it for Sir James McCulloch, who had also received the honour of knighthood, and had temporarily betaken himself to London. But an earlier applicant was in the field in the person of Mr. H. C. E. Childers, who had just retired from the position of First Lord of the Admiralty, on the ground of ill-health, and who was duly appointed, to the great disgust of many local Parliamentarians. A year later, in August, 1872, when Mr. Childers re-entered the Gladstone Cabinet, Sir James McCulloch obtained his desire, and acted as the official representative of the colony for a couple of years, during which time he was promoted to the higher dignity of K.C.M.G.

With the reassembling of Parliament on the 30th of April, 1872, Mr. Duffy's troubles revived. One of the charges brought against his Government was that the Governor's speech made no promise of an Education Act, which the country imperiously demanded. This shot failed to destroy, though it aroused a long and acrimonious debate tinctured with a good deal of the *odium theologicum*. Within the month, however, charges of abuse of patronage, and a tendency to regard nationality and religion as the test of fitness, began to hurtle in the air, and finally, on the question of the propriety of the appointment of Mr. Cashel Hoey as Secretary of the Agent-General's office in London, the vote was distinctly adverse and the Ministry resigned. Mr. Duffy, remembering the enthusiasm his speeches had evoked in the country, believed that he owed his defeat to an unworthy cabal of office-seekers, whose verdict the electors would promptly set aside. He endeavoured to convince the Governor that he was entitled by all constitutional precedent to a dissolution. But Lord Canter-

bury declined to accept his interpretation, and refused to grant an appeal to the people. The refusal stung Mr. Duffy into subsequently describing Her Majesty's representative as "an impoverished peer whose business in the Colonies was to increase his balance at the bankers'," which is a pleasing variation on the charge he so frequently made, that it was the great fortunes in the colony which were united in efforts to thwart him. A few months later the "impoverished peer" was the medium of conveying to Mr. Duffy the honour of knighthood, a compliment with which his countrymen generally were pleased. During the first fifteen years of the Constitution the distinction of knighthood had only been conferred on four persons, Sir William Stawell, on his elevation to the Chief Justiceship; Sir James Palmer, as President of the Council; Sir Francis Murphy, the Speaker; and Sir Redmond Barry; only in the last-named instance was the honour the result of special services rendered to the community, in educational and social labours. In the three preceding cases the dignity was an appendage to the office, and has since been generally perpetuated on those lines. Commencing with Sir George Verdon in 1872, the holder of the office of Agent-General has usually been offered the distinction, though it has not in all cases been accepted. Sir Archibald Michie in 1878 and Sir Graham Berry in 1887 thus attained it. The selection of Sir Charles Gavan Duffy did not come under any of these conditions, as at the time of the offer he was only a private member of the House, though the further step of K.C.M.G. was conferred upon him in respect of his selection as Speaker in 1875. The honour was no doubt procured for him by his friend Childers, who was then a member of the British Cabinet, and it was probably intended as a peace-offering to the Irish section. In 1874 Sir John O'Shanassy was knighted, and in the following year Sir Charles Sladen. After this there was a cessation of appointments for about a dozen years, except in the cases of the occupants of the offices above referred to. Amongst prominent politicians who declined to take up the proffered distinction occur the names of Mr. J. G. Francis, Mr. Peter Lalor, Mr. James Service, Mr. Duncan Gillies, Mr. Alfred Deakin and Mr. R. Murray Smith.

When Mr. Duffy was refused a dissolution the Governor entrusted Mr. J. G. Francis with the task of forming a Ministry.

Despite his own vigorous championship of Protection, that gentleman secured for his Treasurer Mr. Edward Langton, the most outspoken Free Trader in the Assembly. And the Cabinet was somewhat of a reflex of the two leading spirits. Mr. J. W. Stephen and Mr. G. B. Kerferd were the Law Officers; Mr. J. J. Casey took charge of the Lands Department, and Mr. Duncan Gillies the control of the rapidly expanding railway system. The Custom House was supervised by Mr. Edward Cohen, a Melbourne merchant, and to Mr. Angus Mackay, of Bendigo, was allotted the care of the mining industry. Half the Cabinet was composed of Protectionists, the other half held by the principles of Free Trade. Half had been abettors of McCulloch's raid on the Constitution, others had been prominent in denouncing it. The public fervently hoped that the coalition would bring at least temporary political peace.

The Francis Ministry made the fourteenth that in a period of sixteen years had succeeded in snatching a brief, and too often uneasy tenure of power. Absurd and injurious as were these continuous changes in the direction of public affairs, and disastrous as was the hindrance they presented to the moulding of necessary legislation, they were the price the colony paid for lessons in the art of self-government. Each little group, as it wrested power from its opponents, sought to distinguish its own *régime* by some important advance in democratic principles. It chanced that the Francis Government lighted on Education as a popular and pressing topic, and their twelve months' reign was signalised by the passage of the Act on that subject which, with a few unimportant additions, is still the law of the colony. Many circumstances combined to make the time opportune, probably the most forcible being the bitter sectarian strife engendered by the debates which preceded the downfall of Duffy's Ministry. Yet the public demand was not of recent origin. The waste of energy and money attendant on the rivalries of the National and Denominational Boards was rightly regarded as a scandal.

As far back as 1858 Mr. Michie had fathered a Bill to create uniform secular instruction by the State, and to authorise the use of the school buildings for religious instruction outside of the defined school hours. It was neither to be free nor compulsory;

but the fees could be remitted if the parents were unable to pay, and they were liable to be fined if they did not cause their children to be taught somewhere to read and write. The representatives of the Denominational system and the Roman Catholics combined against the measure, and though it passed the second reading in the Assembly, it had to be abandoned. Four years later Mr. Heales, then a private member (June, 1862), revived the controversy by introducing the "Common Schools Act". This vested the teaching machinery of the State in one Central Board, which was to absorb all the property of the National School Board, and such of the Denominational Board's assets as it was willing to sell or surrender. With the dissolution of the rival Boards, no public money was to be thereafter expended except through the newly created management. The express limitation of times for religious teaching, and the remission of fees in case of poverty, were much the same as in Mr. Michie's proposed Act. One of the strong points made by Mr. Heales was, that under the guise of fostering education the Denominational Board was spreading over the land an unnecessary number of insignificant buildings, which were really so many rudimentary churches—often in undesirable competition with a National School already occupying the field. The Common Schools Act was vigorously opposed by Messrs. O'Shanassy, Duffy, Haines and others, but the able and eloquent support of George Higinbotham and James Service eventually carried it through, and it passed the Council without amendment. It largely minimised the ill-effects of the old system, but it did not answer the expectation of its supporters. The appointments made by O'Shanassy to the Education Board were not above suspicion, and sectarian strife was only scotched, not killed.

A very representative Royal Commission of both Houses of Parliament was appointed in September, 1866, to review the system of State Education then in force, and to devise means of bringing it into closer touch with the popular demands. Mr. Higinbotham was the chairman, and the Board included the headmasters of three Public Grammar Schools and a County Court Judge. Unlike the general run of Royal Commissions, they set to work promptly and earnestly. Within five months they held fifty-two meetings,

examined a large number of expert witnesses, debated an enormous mass of evidence, and brought up an exhaustive and entirely unanimous report, accompanied by a draft Bill to give effect to their recommendations. On the question of gratuitous education they were emphatic in their dissent, believing that there was nothing in the circumstances of the community to warrant its general application. The main points of their proposals were :—

Legal provision making instruction of children compulsory upon parents.

Appointment of a responsible Minister of Public Instruction.

Establishment of public schools from which sectarian teaching shall be excluded by express legislative enactment, and in which religious teaching shall be in like manner sanctioned and encouraged.

Establishment of a training school for teachers.

A separate grant for aiding instruction in rural districts to aborigines and Chinese, and for ragged schools.

And, finally, as the proposed fees were small and liable in many cases to remission, the system could not be self-supporting; therefore it was suggested that the expense should be borne by a special tax on land in aid of public instruction.

When the Bill was submitted to the Assembly it met with an uncompromising opposition. The principal speakers against it were Messrs. Ireland, O'Grady, Gillies and Langton, while its supporters were few and feeble. Mr. Higinbotham made a brilliant defence, but his eloquence and earnestness made no impression; so many members intimated their desire to join in the attack that Mr. McCulloch backed down and suggested its withdrawal. Reluctantly Mr. Higinbotham recognised failure, and as he stood for the whole Bill and no compromise he withdrew it. The agitation on the subject was not allowed to die out, and a growing class demanded an entire divorce between secular and religious teaching. The rationalist party contended that the latter could not be given without encouraging sectarianism, nor without violating some one's conscientious scruples. In this attitude, strange to say, they found support from the Churches, whose ministers declared that it was

impossible to have religious teaching which was not sectarian, and that the Christianity which was common to all the sects could not be taught! The predominance of this feeling determined Mr. Francis to use it as a means of ensuring popular support for his Ministry, and incidentally justifying the expulsion from office of Duffy. Feeling ran high, and as both Protestants and Roman Catholics were working to maintain the ecclesiastical grip, it was decided to formulate a measure which should appeal to the masses, supposed in the majority to be actively hostile to the Churches. The contentious strife which the proposal engendered was not confined to the period involved in passing the Act. Year after year, since it was placed on the Statute book, has produced criticism, comment and denunciation with unstinted profusion. Sermons, leading articles, hundreds of pages of debates, pastoral addresses and encyclicals poured forth their dolorous prophecies of impending moral decadence. The air was darkened with pamphlets filled with arguments which no man heeded. A generation has passed away since, and the contention is not yet stilled, though the hopelessness of any change has modified its volume.

The Education Act, largely based on the rejected measure of Higinbotham and a subsequent proposal of McCulloch's, was credited to Mr. J. W. Stephen, the Attorney-General, and it tended to make him for a time a hero with the masses. For in 1870 there was in that quarter a widespread opinion that the clergy as a class were enemies of popular education. Probably the opinion, or rather prejudice, was ill-founded, but the working man is invariably suspicious of opposition, and too generally attributes it to reasons such as would be likely to influence himself. It is easy to understand how Mr. Stephen's popularity grew. Here was a man, hitherto prominent as a churchman, falling foul of the traditions of his class, and demanding that at least the elements of education should be ensured to every child in the colony. To make it universal it must be compulsory: being compulsory it must be free, to avoid the appearance of pauperising any section of the people; and secular, to avoid the clash of sectarian discord. Schools were to be provided in every district throughout the colony; a Department of Education, presided over by a Minister responsible to

Parliament, was to ensure that every child between the ages of six and thirteen, not otherwise instructed or specially exempted, should have at least four hours' teaching on five days of the week. No Scripture reading or religious exercises of any kind were to be allowed during school hours, but under somewhat arbitrary conditions permission might be obtained, if recommended by the Local Boards of Advice, for holding religious instruction classes at other times. The clergy were of opinion that making reading, writing and arithmetic compulsory, and religious instruction optional and voluntary, was reversing the proper order of things. A large majority, however, both in Parliament and outside, derided that opinion, and contemptuously rejoined that if the clerical teaching was of any value, it would soon be in demand without compulsion by the law. And many thoughtful people honestly believed that the necessity of domestic training in these matters would awaken in parents a supervision over the morals of their children which they had been too ready to leave to the parson and the schoolmaster.

The Roman Catholics had, no doubt, stronger grounds for their dissent than any of the other Churches. They could not, in accordance with their traditions, accept any form of schooling for their young which was entirely divorced from the teaching of religion, because secular education had been emphatically condemned by a papal encyclical. But, even apart from the prohibition, the Church had always maintained the paramount necessity of making religious or—more correctly speaking—doctrinal principles the basis of education whereon to graft the learning of this world. Imbued with these views the Roman Catholics, who formed approximately one-fourth of the population, naturally protested against paying one-fourth of the annual cost of a system which they could not share in without disobeying the teachings of their Church, incurring the displeasure of their priests, and even risking the refusal of the Sacraments, if they persisted in sending their children to such schools after due warning. The cost of providing all this free instruction, and erecting suitable buildings for the purpose, soon exceeded £600,000 a year. The leaders of this party said, give us one-fourth of the expenditure, and for this £150,000 a year we will

educate all our people, build our own schools, and show you in fair competition a better result. It was impossible to admit such a claim and to refuse the demands which would have arisen from other discontented Churches. The end would have been a return to an acute form of denominationalism, with the Minister of Education and all his elaborate machinery presiding over a handful of budding rationalists and nothingarians.

The Roman Catholics would, perhaps, have had a more patient consideration of their claims if they had restricted them to equity. Unfortunately, as the contest proceeded, and they despaired of obtaining what they deemed justice, their utterances grew more angry, and from pulpit and press they assailed the supporters of the Act with indiscriminate abuse. One of their champions, who officially stated the case for his co-religionists, printed their opinion of Mr. Stephen as "A narrow-minded bigot, an unscrupulous politician, an intense hater of Catholicity and of its progress in this colony. . . . A man who did not scruple to act in direct opposition to the policy of his Church in order to be revenged on the Catholics, to whom he attributed his numerous defeats at the polling booth." With pen and tongue the Act was assailed as deliberately conceived in an open spirit of hostility to the Catholics. One very eminent preacher of the day, Father O'Malley, S.J., said that the burning sense of the wrong and persecution which his people felt was due to the knowledge that the real underlying object of the Act was to destroy the faith of Catholic children—practically to proselytise on a large scale under Government compulsion. Such extreme statements naturally aroused an irritated antagonism; bigotry was met by intolerance, and there was loud demand for no compromise. So the Bill went through with a substantial majority in both Houses, and its author, Mr. J. Wilberforce Stephen, became the first Minister of Education, which office he held in addition to that of Attorney-General until May, 1874, when he was transferred to the Bench of the Supreme Court.

Whatever may be the opinion of the Churches, the community as a whole are satisfied with, and indeed rather proud of the position which Victoria holds in educational matters as compared with other British Colonies. That there are some defects in the system, and

that it has not accomplished all that was expected of it, is readily admitted. The first great drawback is the enormous outlay involved, and the tendency, in common with all public departments, to fatten on taxation. The expenditure for the first half-dozen years averaged about £600,000 per annum, after which it gradually crept up until in the financial year 1890-91 it exceeded £840,000. Then the pruning-knife was violently applied to the staff; many small schools were amalgamated, others were closed, and in the course of four or five years the amount was again brought temporarily under the £600,000 which had come to be considered the normal figure. Much of the enforced economy, however, was only at the expense of postponing necessary works, and by the closing year of the century the expenditure exceeded £670,000. It must be borne in mind that this outlay is on primary schools only, and that concurrently the Government spent £35,000 on secondary education, in the form of endowment to the Melbourne University, maintenance of technical schools, schools of mines, and in exhibitions and scholarships. The annual outlay under the Common Schools Act up to 1872 had never exceeded £200,000, yet in Parliamentary debates of that year quite as much fault was found with the "excessive cost" as with the "inefficiency" of the old system. The new Act came into force on 1st January, 1873, and before the century closed the expenditure under it had reached £19,000,000, of which about £1,100,000 was provided from loans for school buildings, and the balance from the general revenue.

Such an expenditure on a community averaging during this period less than a million persons of all ages, with approximately 220,000 possible scholars, should have accomplished all that the most sanguine supporters of the Act desired. But it was far from doing so. Its authors found it pleasant and popular to confer upon the people gratuitously a privilege for which they had hitherto been required to pay. In a short time hundreds of well-to-do tradesmen, civil servants and highly paid clerks sent their children to share in the free education the country provided. Nor were they to be blamed for availing themselves of services for which, with the assistance of many who had no benefit from them, they paid indirectly through the taxes. The result was the closing of over 300 private schools between 1872 and 1875, though it by no means

follows that this was a disadvantage to any one but the people —often hopelessly incapable—who were making a living by what passed for teaching. But the mass of scholars thus transferred from private or home tuition to the care of the State had a discouraging effect in one respect. The State school teachers of the well-dressed and comfortably placed pupils shrank from encouraging the bare-footed ragged urchins, whose only hope of rescue from the bondage of ignorance lay in the bounty of the State. Thus, while the Minister of Education was pleased enough to confer favours, a weak fear of unpopularity stayed the hand that was empowered to enforce compulsion; so to this day thousands of the waifs and strays of humanity are not gathered into the fold. The law is intermittently put into operation, and convictions of negligent or defiant parents have reached as high as from 5,000 to 6,000 in a single year. Still, the fact remains that some 10,000 gutter children are, owing to the cupidity or indifference of their parents, debarred from the benefits provided for them at such a lavish outlay. With this very serious drawback the Act has otherwise worked fairly well. It is a generous use of terms to call the teaching given in these schools education, but the rudimentary principles instilled have, in thousands of cases, awakened a desire for pursuing knowledge for its own sake, and many of the fittest have passed into a career of higher learning, and even distinction, which their environment would have rendered impossible but for the assistance of the State. The larrikin has not been exterminated, and the foul language of the slums still pollutes our streets. These blots are not the fault of the Act; rather in the laxity of its administration and the withholding of the moral support of the clergy, who, because they cannot have their own way, will take no hand in the so-called irreligious schools. The worst failures of the system are found amongst the denser population of the cities. In the thinly peopled interior it has produced nothing but good, and has been of incalculable benefit to a deserving and industrious class of settlers.

The periodical attacks upon it by the Churches are, to say the least, unjust. It was by their influence that Mr. Higinbotham's Bill was lost, and it has been demonstrated beyond dispute that no co-operation amongst the contending sects was possible for

devising a form of religious instruction acceptable to all, not even if the Roman Catholic body had been separately dealt with. The gloomy vaticinations of the opponents of the Act, who declared that the logical outcome of an exclusively secular system of education was infidelity and immorality, have not been realised. Mr. Hayter, the Government Statist, in *Crime in New South Wales* (Melbourne, 1884) proved that in the mother-colony, where Scripture lessons by clergymen are encouraged in the schools, the amount of criminality is much larger in proportion than in any other Australian colony, and that for some specified offences the convictions are twice as numerous as those in Victoria with its denounced godless system. Later, Mr. Hayter's successor in office has shown by valuable statistical tables that, dealing with the Victorian-born population, there has been a reduction of crime in general in proportion to population of nearly one-fourth since the adoption of the secular, compulsory and free system of education now in force. These results are not submitted as cause and effect, and perhaps do not directly touch the main question; but they show that at least one of the most frequent arguments adduced by the "Bible in State Schools League" and other clerical organisations is based on a very weak foundation.

After the great achievement of the Education Act the Ministry rested on its laurels, and on the 25th of November, 1873, Parliament was prorogued with a view to a general election. This took place in March and April, 1874, without arousing much excitement or materially altering the personnel of the Assembly. Perhaps the most notable feature of these elections was the return of Mr. James Service to political life, after an absence of twelve years. He had resigned his seat in 1862 to visit Europe, and though since his return he had contested several elections, he had hitherto been defeated.

The qualities that marked him as specially fitted to take a leading part in the counsels of a State militated against his success at the hustings. He was a man of considerable force of character, quick and logical in intellectual processes, vigorous and lucid in the expression of his views, and conscientious to the last degree in maintaining the principles he advocated, and in adhering to

his platform promises. He had not Mr. Higinbotham's gift of oratory, but his speeches always commanded attention, for they were so manifestly the result of honest convictions, couched in direct and simple language, often enlivened by little touches of Scottish humour that left none of the rankle of sarcasm or ridicule. Some of his most ambitious addresses were delivered out of Parliament in connection with Federation, the Unity of the Empire, and other important national questions in which he took so active an interest. During the whole of his political career he never descended to the language of personal invective, which so often disgraced the debates in periods of excitement, and he did much by influence as well as by example to restrain the more intemperate in language. In the House, as on the hustings, he ever maintained a perfect equanimity, and he could put aside an offensive interjection with rare good temper. He had a happy faculty of epigram, and some of his felicitous phrases, which evoked applause from friends and opponents alike, are often revived in Parliamentary debates to this day. His sound common-sense, and the moderation of language in which he expressed his views, formed a marked contrast to the brusque and overbearing but somewhat confused dicta of McCulloch, or the perfervid and rather hysterical fluency of Graham Berry, the two men with whom he was brought chiefly in contact.

As a prosperous merchant, the architect of his own fortunes, which had been slowly built up by industry and foresight from the days of his temporary sojourn in Canvas Town, he naturally stood for absolute freedom of commerce. This had kept him out of Parliament for ten years. It mattered nothing to the electors that in the trading world Mr. Service's name symbolised the highest commercial probity, the most steadfast devotion to duty, and a loyal regard for the interests of all with whom he came in contact. They put aside as absurd the notion that he had an unselfish desire to devote his leisure and his ability to the further advancement of the country, in the progress of which he had so happily shared. Their experience of most of the men who had wooed their votes made them suspicious of such quixotic ideas. Their support was readily captured by the man who shaped his plastic views to meet

their demands, and who verbally promised what he mentally knew he could not perform. Mr. Service could not trim, to dissimulate he was ashamed, and the price he paid for loyalty to his convictions was to be hooted down, and refused a hearing by the Protectionist contingent when he sought the suffrages of Ballaarat, Collingwood and West Melbourne. But the miners were now beginning to realise that the 25 per cent. duties they were paying on their machinery, tools, and nearly everything they used, was a too generous contribution to the maintenance of factories for the glory of Melbourne, and the employment of the town-attracted masses. Eight years of continually increasing duties had not brought them in sight of that cheapness which was promised as their share of the blessing of fiscal manipulation. While their wages remained nominally unaltered, they suffered a decrease by reason of the enhanced cost of living. So the mining constituency of Maldon gave a hearing to the other side, and returned Mr. Service by a very large majority, and retained him as their representative for seven years.

The first session of the new Parliament was opened on 26th May, 1874, and lasted until 24th December. It was marked by an early reconstruction of the Ministry. One of the prominent pledges given at the hustings during the recent general election was the introduction of a Bill to further amend the Constitution, with a view to avoid the possibility of future deadlocks. It cannot be said that the people generally took much real interest in this perpetual stalking-horse; but certain noisy agitators found nothing so effective for inflaming the public mind as attacks upon the Legislative Council, and the grossest misrepresentation of its proceedings. The Bill introduced by Mr. Francis to ensure harmony between the branches of the Legislature was based on the Norwegian system of the two Chambers, when at variance on any important question, sitting in joint deliberation. It was coldly received in the Assembly, and the feeling displayed was so hostile that the Premier decided to retire. It did not seem necessary to immolate the Ministry. They had not suffered any formal defeat, and commanded a fair working majority; therefore, at the end of July Mr. Francis resigned on the ground of failing health, and

his Attorney-General, Mr. Kerferd, assumed the Premiership. Mr. Langton, the Treasurer, was at variance with some of his colleagues on the fiscal question, and on the methods of the colony's official book-keeping. He also elected to retire, and Mr. Service, having accepted the position of Treasurer, was thereupon re-elected by his Maldon constituents without opposition.

Only one Bill of any importance passed into law in this session —the Local Government Act, 1874, a most comprehensive measure, which was actively debated for four months, and finally passed on the last day of sitting. The rapid spread of settlement over the country had caused much confusion and difficulty in defining the jurisdiction of sundry Shires and District Road Boards, and the varying estimates of the qualifications in area, population and revenue to constitute a borough. The Act set to work by repealing most of the statutes bearing upon municipal management, and amending others. In profuse detail it set forth, in 532 sections, all that it was necessary to know about the sphere and duties of mayors, presidents, councillors, town clerks and shire secretaries, singly or in combination. It evolved order out of chaos, and remains, with a few slight amendments, the basis of local self-government to this day. It gave the power of taxation by rates on local properties up to 2s. 6d. in the £. Perhaps the most objectionable feature in the Act was the power of borrowing conferred on municipalities, which led many of them into reckless expenditure, and greatly hampered the proper maintenance of works heedlessly undertaken. This was particularly the case in the suburban towns and boroughs, where a considerable proportion of the rates was soon absorbed in paying interest on loans squandered, during times of inflation, on quite unnecessary town halls and other unproductive works. The operations of the Act have been generally recognised as beneficial, but there is one aspect which presents an object-lesson to the advocates of State socialism. Clauses define very precisely the manner in which money may be borrowed, and it is specially enacted that councillors concerned in borrowing in excess of their powers are to be personally liable. At first a few Councils found themselves, through ignorance or misapprehension, in this illegal position; then others, seeing that no action was taken, began to ignore the restraint. In a few years it transpired that a

large number of the country shires had outrun their incomes, and were applying the rates to the liquidation of illegally incurred overdrafts, which the Act declared should be paid by the councillors personally. When action was proposed the Ministry of the day shrunk from enforcing the law against so important a factor in election matters as Shire Councillors. But the law had to be upheld for appearance' sake, so Parliament was moved to condone the offence, and for some ten years past has annually put through a "Municipal Councillors' Indemnity Act," with the understanding on each occasion that it was not to be asked for again. The farce still goes on.

The Governor's speech in opening the second session, on 25th May, 1875, was exceptionally long, and outlined work, the accomplishment of which would have required much closer attention to business than honourable members had ever yet given. But the proposals came to nothing, and the sitting, which lasted ten months, was redolent of the most discreditable personal intrigues for office, factious cabal, and defiance of the principles of honourable dealing which theoretically regulate public life. It had the unique record in that short time of entertaining three Ministries, listening to three conflicting statements of the colony's financial position, debating three separate methods of balancing the national ledger, and assenting to no less than five temporary Supply Bills.

Mr. Service, who though as staunch a Free Trader as Mr. Langton was constitutionally less aggressive, in submitting his budget on 15th July had to admit a deficit of some £200,000 to be met by new taxation. This would not have been a very serious matter, with a revenue exceeding four and a quarter millions sterling. But he desired to readjust the incidence of the tariff, to "ease the burdens now borne by the industrial classes, and to afford relief to the trade of the colony," to quote his own words. To do this he proposed to remit altogether the 20 per cent. duties on a long list of necessaries, the collection of which had been found vexatious and unprofitable. Further, to reduce from 20 to 15 per cent. the duty on other specified goods which had for the last five years enjoyed a large amount of Protection, and which should be considered quite able to compete successfully with the imported article at the reduced duty. These concessions would about double the existing deficit, bringing it up

to £370,000. To fill the void there was to be a land tax, house tax, bank-note tax and stamp tax. These, with a substantial increase in the duties on spirits, beer and tobacco, were estimated to convert the existing deficit into a surplus of £150,000 at the close of the financial year.

The budget was received more favourably by the public and the press than it was in the Assembly. Sir James McCulloch led off with a declaration that the estimated expenditure was outrageous, and declared that the ledger should be balanced by retrenchment, not by further taxation. The brewers and publicans were loud in their protests, and they combined with the extreme Protectionists to block progress. Mr. Berry thereupon, mistaking the strength of his party, moved the direct rejection of the financial proposals of the Government, and hurried it to a division. Although he had the support of Sir James McCulloch the motion was defeated by thirty-two to twenty-two, most of the dissatisfied members of the Free Trade party, upon whose support Berry had relied, walking out of the Chamber when the division bell rang.

In the presence of faction and intrigue this substantial endorsement of the Ministerial policy counted for little. The debate which took place on the first item, the increased spirit duties, disclosed the fact that the Free Trade party could not be relied on to rally round their champion. Personal pique, disguised under assumed objections to some item of new taxation, operated with a few. The blandishments of an expectant Cabinet-maker caught others, and the party now presented with its first chance of reasonable reform failed to grasp it. When the division on the test vote was taken, men like Sir James McCulloch and Mr. Langton were found ranged behind Mr. Berry, and the majority for the Government was reduced to one. This vote seemed to render the position unworkable, but as the country had apparently pronounced in favour of the Government proposal, Mr. Kerferd thought he was entitled to a dissolution. The acting Governor, Sir Wm. Stawell, did not concur in that view, and when an appeal to the country was refused the Ministry resigned. There was a widespread opinion that the resignation was precipitate. No actual defeat had been sustained, and there was abundant English and Colonial

precedent for Ministers retaining office after specific items in their budget proposals had been rejected. Mr. Kerferd was, however, a wavering leader, listening to many advisers, and he had been persuaded that the country would give him a substantial majority. Mr. Service was hurt by the defection of so many Free Traders, and smarted under the charge that he had courted defeat by making a test of the spirit duties, a proposal which seriously affected important vested interests, and which many of his supporters dared not vote for, without jeopardising their seats at the next election. A low view certainly to take of senatorial responsibility, but one which the press of the day seemed quite ready to excuse. In any case the resignation was irrevocable, and Mr. Graham Berry made his first entry as Premier on the 7th of August, 1875, a rôle that he assumed off and on during several years of the most contentious and stormy period of Victorian politics.

Happily Parliament, though an important factor in helping or hindering the progress of the colony, was not the be-all and end-all of its existence. Despite the swirling agitation which marked the filling and emptying of the Treasury benches, the great bulk of the community prayed only to be let alone in the pursuit of their several avocations. In the twelve years since the departure of Sir Henry Barkly, the population of the colony had increased by 40 per cent., and at the close of 1875 stood at 792,000. The increase in the revenue was over 50 per cent., reaching £4,240,000, while the public expenditure always kept close up to it, when it did not exceed it. There was something to show for the outlay, for great improvements and enormous extensions had taken place in the roads and bridges throughout the colony, partly by direct expenditure and partly by subsidies to local bodies. Substantial Government offices had been provided in the Metropolis for most of the Departments of State; others were in course of erection. Handsome schools were scattered by scores over the land, not as yet paid for out of loans. Close upon £100,000 had been spent in the erection and equipment of a branch of the Royal Mint, which was a drag upon the revenue to the extent of £10,000 to £12,000 a year. The Alfred Graving Dock at Williamstown, the finest in the Southern Hemisphere, had been opened with congratulatory

festivities. The railway system was being liberally extended. The North-Eastern line had been completed as far as the Murray, and awaited at Wodonga the junction with that in course of construction from Sydney. The Bendigo line had been pushed on to Echuca; and Ballaarat had put forth a northern prolongation to Clunes, Maryborough and Dunolly, while in a western direction it had extended to Ararat. Two lines were building in the south: one to connect Geelong with Colac, and another to bring Melbourne in touch with Sale and the well-watered plains of central Gipps Land. The actual cost of construction of these lines was defrayed out of loans, but a considerable amount of incidental expenditure and interest helped to inflate the Treasurer's disbursements. Unlike some of the later railway expansions which covered the land with profitless duplications and ridiculous cockspurs, the 600 miles of iron road which Victoria possessed in 1875 was in the main a sound and useful investment. Most of the lines gave a good profit from the start, and all the others had latent promise in that direction, though the settlers were very ready to complain that the mining towns were unduly favoured in the railway proposals. It could hardly have been otherwise, for mining was still the backbone of the colony's progress. Outside of Melbourne and Geelong, with their suburbs, and the old-established western seaports, the whole colony had but eight towns with populations of over one thousand that did not depend upon the mining industry. These were Colac, Camperdown and Hamilton in the Western District, mainly pastoral; Kyneton, Kilmore and Wangaratta, agricultural; Echuca, the frontier port on the Murray, and Sale, the only town of importance in the huge province of Gipps Land. On the other hand, over forty towns, with populations ranging from one to twenty thousand, had been built up entirely out of the mining industry and were still mainly supported by it.

The value of the gold produced in 1875 was £4,383,000, but the yield for the ten years ending at that date reached within a trifle of £53,000,000 sterling. Such an enormous production, the benefit of which, under company mining, was spread over a much larger area than in the old digging days, could not fail to help materially the prosperity of the people. Some 42,000 miners were

still employed, and with modern appliances they got through much more work than three times their number had done in the early fifties. For they were backed up by 1,100 steam engines, representing the power of 24,000 horses, and valued at over £2,000,000 sterling. Since the days of the Eureka stockade mining legislation had been progressively liberal and considerate. Under the Act establishing Courts of Mines full justice had been done to this class of toilers, their only grievance being the repeated failures of Parliament to come to any final decision on the complicated question of mining on private property. In the matter of taxation they had suffered with the farmers in the cause of Protection to native industry. But an oblique attack on the pocket never arouses the resentment which a smaller direct demand creates, and it was recognised that the miner could be much more easily ignored than the town artisan and labourer with his effective powers of combination at election times.

To the many changes of Government recorded there is to be added a change of Governors. Sir J. H. Manners-Sutton, who had in 1870 succeeded to the title of Viscount Canterbury, left for England in March, 1873, in the same unostentatious manner as he had entered upon his office six and a half years before. It had indeed been a troublous period for a Governor, and though in the heat of controversy his actions were occasionally assailed by both sides in the press; though at the outset McCulloch would have bullied him and Higinbotham ignored him, yet it is certain that, when passion allowed reason to be heard, all parties were ready to admit that Lord Canterbury had held the scales with strict judicial impartiality. A careful student of constitutional law, he had ample capacity to use it for his own guidance, even when it did not run on the lines desired by his Ministerial advisers.

His successor, Sir George Ferguson Bowen, came to Victoria from the Government of New Zealand, having had fourteen years' experience in presiding over Australasian Colonies. To judge by the two stout volumes, *Thirty Years of Colonial Government*, which he has given to the world, he would appear to have been an exceptionally brilliant administrator, upon whom the applause of the populace and the fervid encomiums of his Imperial employers

poured unceasingly. Being a man of far more robust habit than Lord Canterbury, he took a greater part in public social functions, and he delighted to preside at gatherings connected with sport, agricultural shows, laying foundation-stones, or opening railways and other public works. He travelled over the length and breadth of the colony, banqueted by scores of municipalities, and royally entertained by some of the wool kings of the fertile West. When at the end of 1874 he went off to England for a year's holiday, he left a large number of admirers behind, and was boisterously cheered as a typical "Fine old English Gentleman". It was rather ominous that in the last speech he made he congratulated his audience on the apparent political apathy which prevailed, remarking that "Prosperity and political quietude generally go together". Under the Francis-Kerferd Ministry nothing had called for his interference, but there was turbulence enough in store for him when he came back in January, 1876. The narration of events will show how he dealt with it.

CHAPTER VII.

THE BERRY INFLUENCE, 1875-1882.

Before resuming the Parliamentary narrative, it is desirable to epitomise the various steps in connection with payment of members, the culminating discussion of which led to those semi-revolutionary proceedings that so startled the community in 1877.

The propriety of reimbursing members the expenses incurred in their attendance on Parliament, as it was modestly phrased, very early found advocates. The disingenuousness of the phraseology, however, was soon exposed, when in February, 1862, a private member proposed that such "reimbursement" should be limited to members whose domicile lay outside of Melbourne and suburbs, and that it should in no case exceed £150 per annum. This was taken as an affront, for members had already begun to demand a living wage and uniform treatment, wherever domiciled. In the first Bill sent to the Council they appraised their services at £300 a year, and eliminated the members of the Upper House, where the measure was rejected without a dissentient voice. In 1865 the McCulloch Ministry, to placate Opposition, sent up a Bill including payment to members of the Council, but it shared the fate of its predecessor. Two years later, when the fight over the Darling grant was at its hottest, the Assembly tried another Bill, this time revaluing their services and fixing the solatium at £500. Mr. Higinbotham's was almost the sole voice raised against this attempt. He had unwillingly become a convert to a payment covering necessary expenses, and he believed £300 a year ample for that purpose. The contention that working men ought to be represented by their own class in Parliament was not altogether acceptable to him, but he held a strong opinion that payment of members would conduce to the stability of Government, and avert that continuously recurring

overthrow of Ministries which was discrediting the Legislature. He did not echo the cry of Mr. Berry and his followers that it was the "keystone of democracy," but he thought that care for their salaries would sometimes check members in reckless onslaughts upon a Government that had the power of a dissolution.

The general question of payment for political services has been often and vigorously discussed. As a means of securing the ablest men it has certainly not been a success. At the present rate of pay it practically invites mediocrity to make a living out of politics. To the professional or mercantile man who gives his services to the State, the amount is barely adequate to the calls upon his purse which the position entails, and in any case is of no moment. To the artisan whose revenue has been based on £3 per week, it seems to promise a career of luxuriant leisure. As a natural corollary of universal suffrage, the numerical majority, with a frank avowal of their devotion to class interests, have largely united to secure a share in this respectable emolument for the labour party. Thus, for many years there has been a certain percentage of members whose sole means of living was represented by the monthly cheque received from the Victorian Treasury. Its direct effect upon the Assembly has been towards narrower views of statesmanship and a perceptible lowering of the average of intelligence and business capacity. It has also helped to make the rank and file more docile in the hands of clever leaders, who do the thinking and talking for them, and more blindly loyal to their party whether right or wrong. That it has a tendency to lower the dignity and independence of the position, and to foster self-seeking, has been shown by the fact that in a neighbouring colony Parliament had sunk so low that a Bill was introduced protecting the salaries of members from attachment by their creditors.

The Bill claiming £500 a year was thrown out by the Council, and again in 1869 it rejected a renewed proposal with the amount reduced to £300. It would be tedious to recapitulate the arguments used in these oft-recurring debates. They were so contradictory that at length the Assembly appointed a Select Committee, of which Sir Charles Gavan Duffy was chairman, to bring up a report on the subject, fortified by the fullest details of the practice in all other

civilised countries. The committee decided that the practice prevailed everywhere except in England, some of her Colonies, and Italy and Switzerland. Sir Charles Gavan Duffy was strong in declaring that the English example in a matter of this kind was no guide, and in compliance with the unanimous recommendation of the committee a fresh Bill was submitted, retaining the amount at £300. It cannot be said that public opinion had been much stirred on the question, but the Legislative Council, in view of the persistency of the Assembly, and strongly urged thereto by the Metropolitan press, agreed to make the experiment, on condition that the operation of the Act was limited to three years. This was readily conceded, and the Act was assented to at the close of December, 1870. It was renewed for another three years on 24th December, 1874; here it can be left for the present.

The advent of Mr. Graham Berry to the important position of Premier of the colony in August, 1875, marked the commencement of an era of political intrigue, Parliamentary degradation and shameless self-seeking, that for seven years threatened to justify the predicted failure of popular representation, and filled the more thoughtful colonists with shame and indignation. Mr. Berry, at this time a little over fifty years of age, had already gained the applause of the masses by the fiery oratory with which he denounced the enemies of the people, who, for brevity's sake, might be defined as Mr. Berry's political opponents. They varied with the environment of the moment, and the success or failure of the speaker. At one time the most offensive of them were to be found in the Legislative Council. At another the docile followers of the imperious McCulloch were held up to scornful reprobation. Yet again it was the Francis-Kerferd-Service clique that he denounced as grinding the faces of the poor. Nay, even the polished Duffy, who had introduced him to Ministerial office, and who in the midst of his own wide circle of antipathies had generally been friendly to Berry, was found wanting, and relegated to the Chief Secretary's black list.

He had tasted the sweets of popularity, and also the bitters; had stumped the country in the interest of McCulloch during the Darling grant controversy, followed by tumults of applause. When, how-

ever, he dared to differ in a matter of detail from that influential chief, the fickle crowd turned to rend him and refused to hear him. When in his wrath he called them "a pack of howling idiots" they drove him from Parliament, and kept him out for three years. And, after all, the difference which was counted so deadly a sin was of the most trivial character. Berry approved of McCulloch's suspension of payments, and afterwards bettered his example. But he objected to the machinery by which money was raised to carry on the Government and minimise the inconvenience. He would have made the public feel all the consequences of the stoppage as more likely to bring the crisis to a head.

It is unnecessary to enter at length upon the policy which Mr. Berry outlined on assuming office, because he was displaced before he could set his machinery in motion. Briefly, he promised the masses extension of employment, and the manufacturers enhanced profits, by widening the area of protected industries, and increasing existing duties where they had been found ineffectual. A land tax, specially aimed at large estates, was to cover the estimated deficiency in the revenue, and as a drag-net for miscellaneous votes, a hazy suggestion of constitutional reform, giving the Assembly almost uncontrolled power, was flaunted before the electors. The notable facts about this Ministry, which lasted less than two months, were the unexplained selection of Mr. Berry by the Acting Governor as the person to be sent for, and the difficulty with which a team was collected to take the field with him. Naturally he turned first to McCulloch, who had backed him in his attack on the Kerferd Ministry; then to McPherson, under whom he had formerly served: both squatters with growing conservative tendencies. But they gave him the cold shoulder. He secured Mr. J. B. Patterson for Minister of Public Works, though that gentleman had hitherto posed as a rather boisterous Free Trader. He prevailed upon Peter Lalor, the hero of Eureka, to take charge of the Custom House, and he filled up the other posts with unknown nonentities, one of them a recently dismissed civil servant. His main difficulty lay with the Law Officers, for Sir Wm. Stawell, who was then Acting Governor, refused to allow him to proceed to business without an Attorney-General. Finally, Mr. J. M. Grant,

who was a solicitor, but had figured in several previous Cabinets as a popular Minister of Lands, was made Solicitor-General, while the chief exponent of ministerial law was found in the person of a country barrister, Mr. R. Le Poer Trench, who was not a member of Parliament. When the Assembly met in September, notwithstanding the unopposed return of the members of the Ministry, it was at once evident that there was little hope for them, for they were already in a minority. The budget statement submitted by Mr. Berry made matters look much worse than the position disclosed by Mr. Service, and his proposals for meeting the deficit were inconclusive and largely based on borrowing. As he wound up by asking for power to contract a further loan, the debate, led off by Mr. Service, soon became heated. Sir James McCulloch pointed out that in six years the annual expenditure had increased by a million and a half, a reckless rate, which boded early financial disaster. He showed that the proposed land tax almost amounted to confiscation, as it singled out one class of investors for a burden amounting, in some cases of poor land, to a charge on their property which was actually beyond its probable earning power. He moved that the House, "whilst affirming the principle of direct taxation on property, is of opinion that any such measure should be general in its application, and be accompanied by proposals for relief from certain of the burdens imposed on the people through the Custom House".

The debate on this motion was prolonged over four weeks, during which time many intrigues were afoot. A caucus meeting on 29th September resulted in Sir James McCulloch throwing in his lot with the late Kerferd Ministry, which he had helped Berry to overthrow. This unexpected combination was then able to carry the motion, but only by thirty-nine votes to thirty-four. After a brief adjournment, Berry announced that he had advised the Acting Governor to permit an appeal to the country, on the double ground that he had taken office at Sir Wm. Stawell's request when in a decided minority, and that the proposals he had submitted had been enthusiastically received by the country. The advice had not been accepted, and the Chief Secretary asked for another day to consider the position. The announcement was made memorable as the occasion of a pain-

ful scene between Sir James McCulloch and Mr. Higinbotham. The latter impugned Sir Wm. Stawell's impartiality in the matter of dissolutions in terms that evoked the disapprobation of the Chamber. Suddenly Sir James McCulloch turned upon him and delivered a scathing indictment, charging him with being the cause of all the disorganisation that had ever arisen in the Assembly, and declaring that if it should be his lot to direct the next Government, he trusted Mr. Higinbotham would be careful to sit in direct Opposition, for the speaker would give no countenance to any schemes for embroiling the colony with the Imperial Government. This irruption of wrath swept away the last vestige of the close friendship that had subsisted between these two men for more than ten years past. From that day forward the brilliant orator, who refused to believe that any good thing could come out of Downing Street, was a waning power. In the numerous changes of Ministry he frequently had to cross the floor, but he always sat in Opposition to McCulloch, and he always displayed a special regard for Mr. Service.

It was not easy to satisfy Mr. Berry and his ousted colleagues of the Acting Governor's impartiality, and they fomented many public meetings, and inspired many broadsheets with denunciations of the infamous cabal that had overthrown them, and the tyranny which obstructed an appeal to the people, who so frantically believed in them.

On the 20th October, when the roll of the new Ministry was called, it was found to contain four members of the late Kerferd Cabinet, *viz.*, Messrs. Kerferd, Gillies, Anderson and Ramsay; and four members who had taken an active part in turning them out of office, *viz.*, Sir James McCulloch, Messrs. McPherson, McLellan and Joseph Jones. The Ministry was completed by the appointment of a brilliant young barrister, Dr. John Madden, as Minister of Justice. No explanation was deigned to the House as to how this coalition had been brought about, nor how such prominent and experienced men as James Service, Edward Langton and Murray Smith had been overlooked in the selection.

On the 23rd of November Sir James McCulloch submitted his financial statement, by which time he had apparently forgotten his protest against the extravagance of his predecessors at the Treasury.

His estimate of expenditure exceeded that submitted by Mr. Berry in September by nearly £50,000, and that which Mr. Service put forward in July by £136,000! Although his estimates of revenue showed similar proportional increases, they were mainly under the head of "recoups," expected repayments out of proceeds of loans. These included £100,000 for school buildings, an application of loan money which at that time Mr. Service had not considered justifiable.

The event of this session was the masterly speech which Mr. Service made in reviewing the budget and its taxation proposals. Though it occupied four hours in delivery, it was listened to by a full House with excited attention, and it elicited praise from the entire press of the colony. When he sat down he received hearty cheers from both sides of the House, a very unusual experience. His clear analysis of the financial position and the ineptitude of the proposed taxation brought conviction home to members. It looked for a time as if the rejection of the budget was a certainty. He sternly rebuked the Premier for the intrigues by which he had successively turned two Governments out of office and wasted four months of public time, without having anything better to offer than an imperfect adaptation of the proposals submitted by those Governments, either of which could have been amended in committee. At the conclusion of his philippic Mr. Service surprised and greatly disconcerted the Berry party by intimating that he would not be a party to perpetuating their factious tactics, and would vote for the budget, reserving his right to reject the income tax, and to amend certain other proposals in committee. The final result, after many months of strenuous debate, was that on the 23rd of March, 1876, Sir James McCulloch formally withdrew his Bill for imposing land, property and income taxes, as owing to the defection of some of his followers the second reading was only carried by a majority of three. The session came to an ignominious close on the 7th of April, having done no permanent work, but its latter days were notorious for the violent scenes which arose out of the "stonewall" Opposition and the "Iron Hand" Government.

Mr. Berry and his colleagues, who believed that the people sympathised with them in being refused a dissolution, spent the recess in trying to rouse the country, denouncing McCulloch as "a

traitor to the popular cause, a base ally, if not a purchased tool of the enemies of the people". They also accused the Acting Governor of being in league with the conspirators of Flinders Lane, for the subversion of the liberties of the country. Unhappily, in all communities language of this character, of which the foregoing are but moderate samples, always secures a number of supporters, who, with a hazy idea that somebody had done wrong, clamour for reprisals in the much abused name of justice.

On the reassembling of Parliament in January, 1876, one of the discontented was put forward to move for an address to the Governor, praying him to dissolve the Assembly to give the constituencies an opportunity of expressing their opinion on the proposed new taxation. The motion was rejected by thirty-one votes to twenty-three. Failing relief in this direction it was resolved to obstruct all business by straining the forms of the House, raising sham issues and talking against time. One of the main points aimed at was to prevent the Ministry obtaining supplies, thus compelling attention by the inconvenience and delay to which the public creditor would be subjected. This party contributed a new word to political diction, by pledging themselves to stand like a "stonewall" against all Ministerial measures. A few weeks of incessant motions to report progress or adjourn, supported by whole evenings of irrelevant talk, incensed the more thoughtful members, and some of the Opposition sided with the Ministry in trying to suppress the unparliamentary conduct of the leaders on the left. The "stonewalling" tactics broke down so grand a fighter as George Higinbotham, who found no solution but in the resignation of his seat. In his farewell address to his constituents he said he was unable to approve of the course which the Opposition intended to pursue, but he could not bring himself to side with the Government in this quarrel. He considered that the employment of the forms, which had been adopted for guidance in debate, to such a purpose as the coercion of a hostile majority was inconsistent with the principles which lie at the foundation of all deliberative action, and even of political society itself. "It is not permitted," he said, "to a member of Parliament to be a mere onlooker in Parliamentary war. It is his first duty to take his place and bear

his part in the strife, on the one side or the other. I find it impossible for me in the present emergency to fulfil this duty by joining the ranks of either side, and I think that I should be doing a wrong to you if I continued to hold the office while I abstained from performing the duties of a representative." The man, the reasons, and the action are unique in Victorian Parliamentary annals.

During this controversy Mr. Service had exerted himself vigorously but ineffectually as peacemaker, but argument was wasted, and the time for action had come. On the 8th of February Sir James McCulloch moved a new standing order, to be in force for the remainder of the session. It provided that when any motion had been moved in the House or in Committee, a resolution might without notice be proposed, "that the motion be now put," and that such resolution should at once be put, without amendment or debate, no motion or question of order to be permitted until such resolution had been disposed of. This standing order, promptly called "The Iron Hand," was fiercely contested by the Opposition, but two days later it was carried by forty-one votes to twenty.

Although it cannot be said that peace reigned, the possibility of doing business was restored; a few minor Acts were passed, and permission was given to borrow £2,500,000 at 4 per cent. Of this, about £1,000,000 was for proposed but rather undefined railway extension; £500,000 for school buildings; and the balance was chiefly appropriated in connection with water supply schemes. After this triumph the Ministry thankfully snatched the chance of a three months' recess.

Sir George Bowen, who had returned early in the year, opened the third session of this Parliament on the 11th of July. His speech ignored the murky condition of the political atmosphere, and abounded in congratulatory optimism. He promised the early introduction of a number of measures of prime importance. Only a few got beyond the stage of promise, the most important being a revision of the Electoral Act and the establishment of a Harbour Trust for the Port of Melbourne. The former measure aimed at curing the anomalies of representation which had resulted from the increase of population throughout the country during the eighteen years that had elapsed since the electoral divisions were

framed. It divided the colony into fifty-five electoral districts, increased the number of members to eighty-six, and directed that at general elections the polling should all take place on one day. The previous practice had been to take the poll in three batches, with an interval of a fortnight between each, which allowed a defeated Minister to try his luck again in another constituency. As the increase in the number of members in the Assembly destroyed the ratio between the Houses, Sir Charles Sladen introduced a Bill in the Council to increase its members from thirty to forty-two, but the Assembly was in too electrical a condition by the end of November to consider anything not directly affecting its own existence. It was on the eve of dissolution and refused to be troubled, so the Bill never emerged into the light of discussion.

The establishment of a trust that should have the management of the ever-increasing oversea traffic of the colony was a matter of great importance, and it was entered upon with a genuine desire to place the port on a first-class footing. Of the fifteen Commissioners appointed by the Act, six were to be elected by the municipalities interested, three by shipowners, three by the merchants and traders, and three were to be nominated by the Governor in Council. They were given very extensive powers in management, regulation of traffic and the imposition of rates and tolls, four-fifths of the amount collected to be at their disposal for harbour and wharf improvements and staff expenses, the remaining fifth to be paid over to the consolidated revenue. They were also endowed with very considerable borrowing powers, which they freely exercised. A fee of five thousand guineas elicited an exhaustive report from the eminent English engineer, Sir John Coode, who visited the colony to make a preliminary examination of the surroundings. Several Royal Commissions, Select Committees of Parliament and Government officials had submitted reports during the preceding twenty years, and most of them had advocated the cutting of a direct canal from the Yarra just below Melbourne across the Sandridge flats to the bay. But Sir John Coode was emphatic in declaring that it would be found impracticable to keep such a canal available for large ships, except at an unjustifiable cost for dredging. Sir John Coode's report maintained that the combined scour of the Yarra and

Salt Water Rivers was necessary to keep the entrance channel open, and he devoted his recommendations to an improvement in width, depth and directness of the existing water-courses. The work finally carried out included the cutting off of an awkward and extended curve in the river known as "Fisherman's Bend," and substituting a slightly curved canal, 300 feet wide and 23 feet deep, whereby the distance between the city and the bay would be shortened by something over a mile, and the passage of large ships rendered easy. The estimated cost of this improvement and the provision of a commodious dock at West Melbourne was £1,240,000, and though the outlay exceeded that amount, it may be said that public money has rarely been more usefully expended in the colony.

Sir James McCulloch's financial statement in July caused some surprise, for he had to admit that his previously submitted estimates were all abroad. Instead of the predicted deficit of £180,000, the year had closed with a surplus of £52,000—thus fully justifying Mr. Service's denunciation of the income tax as quite uncalled for. The Premier entered into voluminous explanations of the various increases, and finally declared that though it was clear that a re-adjustment of taxation was necessary, he did not propose to attempt it during that session, as it would involve much waste of time, and the raising of bad blood in the House. The bad blood was promptly engendered by this insinuation that it was there. Confidence in the Premier's financial capacity was rudely shaken, and a condemnatory motion was put forward demanding the retrenchment in expenditure which Sir James had so loudly cried for when out of office, and the repeal of some of the vexatious duties of customs. It formed the text for a five days' debate, and the Government emerged with a majority of twelve. Later in the session Mr. Berry launched another no-confidence vote, this time making the pretext that the Ministry were neglecting the extension of railways demanded by the country. Once more the Government scored, though the majority was reduced to ten.

In July of this year Mr. James McKean, the representative of North Gipps Land, was, upon the report of a Select Committee, solemnly expelled from Parliament for having declared at the Collingwood Police Court that the members of the Legislative

Assembly were drunk most part of their time, were a disgrace to the country, and not competent to deal with public affairs. Mr. McKean was known to be somewhat of an extremist in language, but as he had been a Minister of the Crown a few years before, and was still a member of the Executive Council, his Legislative colleagues thought it necessary to emphasise their dissent from his charges by something more than a contemptuous denial. The vacancy thus dramatically created was filled by Sir Charles Gavan Duffy, who, having recently returned to the colony, was nominated and elected without opposition. It required much tact and some temporising on the part of the Ministry to pilot themselves into recess, but the haven was reached on the 22nd of December, when Sir George Bowen congratulated members upon the many excellent things they had done, and the third session of the eighth Parliament was duly prorogued.

The elections for the ninth Parliament were fixed to take place on the 11th of May, 1877. Only four of the existing members were allowed a walk-over: Sir James McCulloch, Messrs. James Service, J. A. McPherson and John Gavan Duffy. For the rest, 193 candidates went to the poll, and the excitement was worked up to fever-heat by the masses in the towns, who now again believed in Berry as their political saviour, and who had been diligently schooled to howl down any candidate who had supported the "Iron Hand". A well-controlled organisation, known as the "Reform and Protection League," spread its emissaries over the land, held rousing meetings in every centre of population, and pledged itself that as soon as the bad reactionaries led by McCulloch were driven out, and Berry was restored to power, the "paradise for the working man," long contemplated, would become a joyous reality. Once more the meanest class hatreds were stirred up. Wealth, however honestly and laboriously acquired, was a synonym for fraud and injustice, and the promise to shift the main burden of taxation on to the owners of property aroused frantic shouts of approval from unreflecting mobs. The organisation and the oratory did their work, and when the results were declared Mr. Berry had secured the return of sixty supporters out of the enlarged roll of eighty-six.

Sir James McCulloch recognised that the fiat had gone forth; he did not palter with the position, but tendered his resignation before the House met. Sir George Bowen entrusted Mr. Berry with the formation of a Ministry, and although that gentleman had a large crowd of expectant place-hunters to select from, the task presented many difficulties. Even though the electors appeared by their votes to have condoned, nay, even approved of the turbulent action of his party during the "stonewall" period, Mr. Berry was sensible of the latent feeling of distrust and anxiety with which his return to power was regarded by the more settled classes, notably the commercial and professional men. There had, it is true, been somewhat of a revolt all round against the abuse of the "Iron Hand". It had only been tolerated upon the ground that desperate diseases require desperate remedies. But to the crowd which so enthusiastically responded to the Berry oratory it had become the symbol of everything that was tyrannical, the expression of brute force by a chance majority over a high-principled party most undeservedly in a minority. While Berry was in opposition, the rule of the majority expressed to him the rule of the unfittest, such as many opponents of manhood suffrage had declared that it would. When he was returned at the head of an overwhelming phalanx, it signified the only way of salvation. He promptly brought to bear upon the minority from which he had escaped the contumely and denunciation under which he had writhed for eighteen months.

It may be counted to Mr. Berry's credit that, flushed as he was with success, he risked offending his ardent followers by seeking the support of some of the less radical members in whom it was certain that the classes who had anything to lose were disposed to place more confidence. To this end he made overtures to Mr. Service and Mr. Casey amongst others, but in view of the policy Berry had unfolded during the elections they found it impossible to listen to them. He then approached Sir Charles Gavan Duffy, but that gentleman, while quite willing to take office, would accept no position short of Premier, to have granted which would have sown dissension in the party. Sir Charles excused his rejection of the overture by saying so many complimentary things to Mr. Berry, and so won him over, that the latter with swelling pride assured the

knight that he would receive the Government nomination for the Speakership when Parliament met. Failing in his efforts to secure fresh blood, Mr. Berry had to fall back on his old team in its entirety, with one exception. He even reappointed Mr. Le Poer Trench as his Attorney-General, though that gentleman was still without a seat in Parliament.

The new Assembly met for business on the 26th of June. Sir Charles Gavan Duffy was duly inducted into the Speaker's chair, and the Governor's speech, while promising a revision of the tariff, and measures dealing with a land tax and mining on private property, intimated that the important subject of constitutional reform would have to be postponed until the next session. On the 16th of August Mr. Berry submitted his estimates for the year ending on 30th June, 1878, which promised a surplus of £44,000, subject to the sanction of certain new taxation. The income from the new land tax was reckoned at £200,000, and a further £50,000 was anticipated from increased duties on sheep, cattle and other live stock. As Mr. Berry started with a credit balance of £200,000, accumulated without a land tax, the prospective surplus after such a heavy impost was very discouraging to those who demanded a real reduction in the inflated expenditure. Nor were they much encouraged by Mr. Berry's expressed indifference as to whether the estimated amount from this tax was realised or not, the underlying object, as declared by him, being "not to produce revenue, but to burst up the large estates, and so to make them accessible to the poorer classes". As a matter of fact, it did not bring in the revenue estimated, the total only reaching £130,000; nor did it effect the socialistic alternative, so boldly declared.

The land tax of 1877 provided that all estates over 640 acres in extent, valued at upwards of £2,500, whether consisting of one block or several, should pay a tax of $1\frac{1}{4}$ per cent. on their capital value. For purposes of valuation estates were to be divided into four classes, appraised according to the number of sheep they were able to carry. Thus land that would feed two or more sheep to the acre was valued at £4; three sheep to two acres £3; one sheep to the acre £2; below that £1. The total area brought under the impost was about 7,000,000 acres, and the payment of the tax fell on

817 persons, who were thus roughly selected out of a population of 840,000 to contribute a sum which was calculated to be equivalent to their paying an income tax of 1s. in the £. Granting the propriety of singling out land from all other forms of property to carry special taxation, it should not be very difficult to devise a scheme whereby its incidence should be at once general and equitable. And yet the three consecutive experiments which had been contemplated by the Victorian Parliament all came short of justice, and gave very reasonable grounds for complaint by those who were to suffer under them.

Mr. Service's proposal was crude and experimental. No land tax had been sought to be imposed by any of the other colonies, and European countries offered no guidance. His Bill provided for a tax of 4d. per acre upon all holdings over 320 and under 2,000 acres, and 6d. per acre on all properties exceeding 2,000. But it could be seen at a glance that there were scores of properties, say of 500 acres, liable to pay £8 6s. 8d. per annum, that in market value and revenue-producing capacity were worth more than other remotely situated properties of even 5,000 acres, which would nevertheless have to pay £125 yearly to the tax-gatherer. In Sir James McCulloch's Bill an attempt was made to get over this difficulty by taxing the annual value of land, on the basis of shire rating adopted under the Local Government Act. Here again there were grounds for objection, seeing that the ratio increases with the value of the occupier's improvements, and so becomes a tax not so much on the raw land as on the labour and outlay bestowed upon it. In Mr. Berry's Bill, the exempt area having been doubled and the measure mainly concerning the pastoralists, it was decided to standardise value by capacity for the agistment of sheep. The absurdity of this measurement lay in the fact that the land with the largest sheep-carrying capacity was in the Western District, some 250 miles from the Metropolis, and it paid often a higher rate than many fine properties lying within twenty miles of Melbourne, or closely adjacent to such excellent markets as Ballaarat or Geelong. The monetary difference in the tax between Mr. Service's average of 5d. per acre and Mr. Berry's percentage was that in the latter case the tax on the four classifications came to 3d., 6d., 9d., and 1s. per acre respectively. It was certain that there would be many disputes over the classification, and

it was determined to block appeal to the ordinary Courts of Law. So three Commissioners were appointed with despotic powers to deal with complaints, and their decision was to be absolutely final. For resisting such decision a landowner could be committed to gaol without any intermediary process of law. In fact, all persons liable for this tax were, in regard to it, deprived of the protection which a British Court of Justice is supposed to extend to the humblest subject of the realm. The administration of the Act was very costly, the army of classifiers and other officials adding materially to the swelling expenditure, but it opened a fine field of patronage. When Mr. Berry succeeded in securing Sir Bryan O'Loghlen for his Chief Law Officer, he installed his stop-gap Attorney-General, Mr. Le Poer Trench, in one of these Commissionerships at £1,500 per annum.

The debate on the Land Tax Bill in the Assembly was lopsided. The Opposition pointed out several defects and indulged in solemn warnings, but in action they were powerless. The second reading was carried by the enormous majority of fifty-nine votes to five. A week later it was transmitted to the Council. As the electors of that Chamber were almost the only people affected by the measure, it was not unreasonable that it should receive more attention there than in the Assembly. Yet when the members of the Council postponed the second reading for a fortnight, in order that they might receive some returns which had been asked for from the Lands Department, Mr. Berry struck an attitude of defiance. Undoubtedly the information asked for by the Council was equally necessary to enable the Assembly to arrive at a proper decision in the matter, but discussion was not encouraged there, and the Bill was rushed through. Irritated by the delay, the Chief Secretary expressed his suspicion that a plot was afoot to overthrow the chief item on the programme he had submitted to the country. To emphasise his intentions he elected to treat this reasonable delay as the equivalent of a no-confidence motion, and arbitrarily adjourned the Assembly for a fortnight, as an act of intimidation to the Council, stating that no further public business would be transacted pending enactment or otherwise of the Land Tax Bill. So dominant was Mr. Berry's rule that in a House of sixty-two only nine members had the courage to oppose a motion so unprecedented and so

menacing. But the display of force was unnecessary, for although during the debates in the Council all the inequitable features of the Bill were prominently brought out, and the tyrannical conditions of its administration exposed, it passed into law by sixteen votes to eleven in a nearly full House.

Mr. Berry saw the passage of this Bill with mingled feelings of pleasure and regret. He believed that the stoppage of public business during the Council's deliberations had brought about its acceptance, and to that extent he rejoiced in his masterly tactics. But by this very acceptance he had lost his most effective rallying-cry against the Council in that attack upon its power to which he was pledged by his election speeches, and by the expectation of which he had been able to command the blind support of his subservient majority. If he could have based this quarrel upon the ground that the Council had refused to tax itself, for the 800 persons from whom the Act contemplated extracting £200,000 a year were all necessarily electors of the Council, then the mob who paid nothing would have been righteously indignant, and as far as talk might serve would have backed up the Ministry in any lawless and violent course. There was no hope of finding any other ground of attack that was so sure of the support of the masses. Yet Mr. Berry held that the fight had to be fought, and his pledge to secure the supremacy of the people's Chamber redeemed. Fortunately for him he had an admirer, and a very adulatory one in public, in Sir George Bowen, who soon found himself entangled in mediatorial efforts to win over the recalcitrant Council. The approaching conflict centred in the question of a renewal of the temporary Act for the payment of members, which expired with the current session.

To secure this renewal at any cost Mr. Berry was pledged to his followers by solemn compact, and by their docile obedience they had paid their share of the bargain in advance. But as time wore on, and their leader took no active steps, the rank and file began to upbraid him with unseemly delay in what was to them so important a matter. Under this pressure he put a sum on the estimates for this purpose, and as this pointed to its probable inclusion in the Appropriation Bill, a question was asked of the Ministerial representative in the Council whether it was intended to afford that

House an opportunity of considering the propriety of renewal or otherwise of payment of members by submitting the measure by Bill as heretofore. The reply was loftily equivocal. The Postmaster-General said it was unusual and inexpedient to state the intention of Government otherwise than by the due presentation of business to Parliament; but in this case it was "highly undesirable that the Council should interfere, even by a question with appropriation, the initiation of which is by message from the Crown on the advice of the Ministry, and is further controlled by the exclusive privileges of the Assembly". The Council at once memorialised the Governor, giving him copies of the questions and answers, calling his attention to the fact that Sir Henry Barkly had refused to sanction the payment of members as a mere appropriation of revenue, and further that, as no less than five Bills had been sent up to the Council in the past embodying the principle, there was no ground for attempting any change of procedure. His Excellency replied that he would consult with and be guided by his Ministers. The apparent result of such consultation was that a separate Bill was introduced on the 4th of December, which, a week later, was rejected by eighteen votes to ten in the Council. The reason assigned was that as the item under discussion was on the Estimates, and would be included in the Appropriation Bill if this separate Bill was rejected, the Council would be acting under coercion if they assented to it. Two days later the Appropriation Bill containing the disputed item was sent to the Council, and laid aside on that ground. Mr. Berry at once opened fire by declaring that the Council should and must be coerced to obey the will of the people as expressed by the decisions of the Assembly. With significant hints of the manner in which such coercion might be applied, he moved the adjournment of the Assembly until the 5th of February, 1878.

The Christmas recess was not a period of peace and good-will among the men who worked the political machine in Victoria in 1877. Rather was it a time of dark conspiracy against the peace of the community, and the daily bread of some hundreds of unsuspecting servants of the State. To such a pitch of debasement had the Assembly been reduced by the invectives of Berry and his henchmen

against the Council, described as representing the well-to-do classes only, that a number of the members regarded the Upper Chamber's interference with their £300 a year as the result of pure spite, and they burned for retaliation. They openly expressed this belief, declaring that the action now taken was a vindictive reprisal for the land tax they had forced the Council to accept. The members of the Council, it is true, were beyond their reach, but it was possible to strike at them through their relatives, friends and acquaintances. It is difficult now to trace the real author of this suggestion. Popular opinion at the time fixed the blame primarily upon Berry, Lalor, Duffy, Longmore, Woods, and Trench the Attorney-General, undoubtedly aided and abetted by the Governor. Most of the men inculpated have at different times repudiated responsibility, or endeavoured to minimise the influence they exerted. Sir Charles Duffy in his autobiography emphatically declares that he knew nothing of the proposal until he saw the *Gazette* announcement. Sir George Bowen, in vindicating himself with the home authorities for the part he had taken, declared that he felt bound to accept the assertion of his Ministers "that the mode of dealing with the Civil Service of Victoria is purely a matter of Victorian concern; and consequently Ministers have the exclusive right of dealing with it on their own responsibility". He went further, and declared that if, "after the rejection of the Appropriation Bill, Ministers had disbanded the police, opened the gaols, stopped the railways, shut up the Courts of Law, and so interrupted the administration of justice, they would have done only what Lord Canterbury had declared to be the legitimate consequence of the stoppage of supplies".

On the 8th of January, 1878, the morning papers announced that the Ministry had in contemplation a large reduction in the cost of the Civil Service, and that they had impressed the Governor with the necessity of husbanding their resources until such time as the passage of an Appropriation Bill rendered the public revenue available. In the evening of the same day Melbourne was startled by the issue of a Government *Gazette Extraordinary*, announcing that the Governor in Council had dismissed all persons then holding the office of Judges of County Courts, Courts of Mines and In-

solvency; all chairmen of Courts of General Sessions; all Police Magistrates, Coroners and Wardens of Goldfields; the Engineer in Chief of Railways, Mr. Thomas Higinbotham; a large number of executive heads of important departments, and about a hundred subordinate but mostly well-paid officials. The breaches of public faith which such a proceeding involved were felt over a far wider area than that represented by the retrenched officers and their dependants. Law-abiding citizens who had anything to lose stood aghast at what might happen next. Some members of the Cabinet, ignoring the specious plea of necessity put forward by their chief, frankly admitted that the move was an act of reprisal on the Council, by hurting it through its friends, and one Minister of the Crown openly declared that in the dismissal of Mr. Thomas Higinbotham he had "had his revenge".

Much wild talk was indulged in by Ministerialists as to further steps it might be found necessary to take in the way of practically closing the port; of issuing a paper currency to carry on with; and of confiscating the rights of holders of landed property suspected of being auriferous. The 8th of January became historical in Victorian annals as "Black Wednesday," a manufactured counterpart of that "Black Thursday" in 1851 when nature had spread ruin and desolation over the infant colony. Capital as usual took the earliest alarm, mortgages were called up, property values depreciated with appalling suddenness, buyers held aloof, and many forced sales showed a fall of over 50 per cent. within a few weeks. Timid depositors hoarded their money, or transferred it to banks in New South Wales.

While wrath and consternation reigned in Melbourne, the Governor took himself off to Portland to perform the ceremony of formally opening the railway to that town. He could hardly have got farther away from the centre of trouble without actually leaving the colony. At the banquet which followed the ceremony he was in his element, full of jovial banter, lauding his own impartiality, ignoring the tempest that was raging in the Metropolis, and with preposterous optimism predicting for Portland a future of unexampled prosperity as the Brindisi of Australia, the port of arrival and departure of all the mail steamers in the years to come. But

when the junketing came to an end he had to face an unpleasant ordeal on returning to Melbourne. From all quarters, except the irresponsible mob, tutored to applaud anything that resembled an onslaught upon capital, he met condemnation. Trade and commerce were unhinged by doubtful anticipations; banks developed a conservative stringency; shopkeepers suffered from diminished business and impending losses; skilled artisans were confronted with a cessation of building and other enterprises; pending contracts were withdrawn, and generally the man who had any money kept it in his pocket until affairs had become more settled.

A fortnight after the *Gazette* notice Sir George Bowen wrote to the Colonial Secretary of State excusing himself on the ground that interference would have involved a contest between the Assembly and the Crown. He palliated the removal of the minor judiciary by saying that the unpaid Justices of the Peace were available for the work, which was a ridiculous evasion of the fact that the Courts were closed. He said that after all only about sixty officials had been dismissed, many of whom were old and ought to be superannuated; while the public records show that the number exceeded 200, and included many of the ablest men in the service. He further declared that no great injustice was done, as the dismissed officials would be compensated at a cost of £44,000, which was available under the Constitution Act without an Appropriation Bill. Finally, he assured the Secretary of State he had formally warned his Ministers that he would be no party to the proposals for tampering with the currency or interfering with the trading and shipping interests of the port.

Having thus vindicated himself with his employers he turned to his Ministers, and informed them that as even some of their own supporters had questioned the legality and expediency of the course pursued, he would like them to consider "whether it would not be right and prudent to reinstate such of those judicial officers as might be willing to dispense with their salaries until the passing of an Appropriation Act". The reply of his Ministers was diplomatically polite, but amounted to a reiteration that the control of the Civil Service rested with them. Thus appearances were kept up in public, but both parties were secretly uneasy and many private con-

ferences were held, with the result that before the opening of Parliament three County Court Judges and three Police Magistrates and Coroners were reappointed.

The Assembly resumed on 5th February, and on the following day Mr. Berry carried a resolution, "That all votes or grants passed in Committee of Supply become legally available for expenditure immediately the resolutions are agreed to by the Assembly". This effort to reduce the Council to a nullity, and practically to alter the Constitution by the fiat of one House, was naturally resented. Petitions were addressed to the Queen, one by the Council charging the Governor with abetting the illegal violence of a political conspiracy; another by the Assembly lauding His Excellency as the personification of honourable impartiality, whose actions were approved by the vast majority of the colonists. The Secretary of State was perplexed, but advocated non-intervention. The incomplete Appropriation Bill, having received the assent of the Assembly, Mr. Berry proceeded, in terms of the lately carried resolution, to draw money from the Treasury in defiance of the Audit Act. The Governor hesitated to sign the warrants. He had been instructed that when he had any doubts about the legality of actions proposed to him by his Ministers, he should take legal advice before acting. He therefore consulted two barristers, of all men in the colony probably the least disinterested—Mr. Trench, the Attorney-General, and Sir Bryan O'Loghlen, who had just joined the Ministry in an honorary capacity. Their assurance that everything was strictly in order overcame any scruples he might have felt, and he signed the warrants. The damage was done long before he learned that the advice on which he acted was entirely at variance with the leading jurists of the colony, and was directly negatived by the formal opinion of the Law Officers in England to whom Sir Michael Hicks-Beach submitted the question.

The Council was defeated by the Governor declining to recognise its rights to any voice in the public expenditure. The 30,000 electors which it represented were but as the dust in the balance against the preponderating vote, which, under manhood suffrage, returned the members of the Assembly, and the voice of the multitude was loud and threatening. Undoubtedly, the Council's function was to check

questionable legislation, where the public appeared indifferent or uninformed. When the demands of the people became the dominant note, it might be their duty to give way, even though a strong minority were well assured that the *vox populi* was not the *vox Dei*. The legislative councillors had striven to uphold the Constitution, but if the people backed up the Governor and the Ministry in disregarding its provisions and in refusing to take the legitimate means for amending it, there seemed no course open but to bow to the storm and put an end to a political ferment that was driving away capital, diverting enterprise and thus retarding prosperity. Negotiations were entered into; promises were made; revolt of the irreconcilables in the Assembly was suppressed; and finally, on the Ministry undertaking to withdraw the obnoxious item from the Appropriation Bill, an Act authorising payment of members until the end of the existing Parliament was submitted to the Council and passed on the 28th of March without a division. On the 3rd of April following, the expurgated Appropriation Bill was sanctioned, and on the 10th the first session of the ninth Parliament of Victoria was closed after ten and a half months of almost incessant dispute. It was stretched to this undue length because with its termination payment of members would have ceased. Had no compromise been arrived at, there were indications that it would have been extended indefinitely, for a considerable number of members were entirely dependent on the salary they drew from the State. Mr. Le Poer Trench had resigned the post of Attorney-General in the last days of the conflict, and Sir Bryan O'Loghlen assumed the office. Five days after the prorogation, a *Gazette* notice announced the reappointment of most of the judges, Crown prosecutors and police magistrates who had been dismissed, but a number of prominent officers were never reinstated, and a large amount was disbursed in payment of compensation and pensions.

The community awoke as from some oppressive nightmare, and cautiously commenced its business operations afresh. The press generally in Victoria and the other Colonies condemned in unmeasured terms the high-handed action of the Ministry and the support it had received from the Governor. Even in the carefully selected despatches embodied in Sir George Bowen's *Thirty Years*

of Colonial Government his bias against the Council, which he declared ought to be a nominee body and not electoral, and his approval of Berry's methods generally is unmistakable. The final decision of the Secretary of State was adverse to Sir George's claim, that, during the whole controversy, he was "the one public man in the colony who kept his temper unruffled, his head cool and his hand firm and steady," while maintaining absolute neutrality. Sir Michael Hicks-Beach weighed all the evidence, he received deputations, pondered over Parliamentary addresses, and concluded that it would not tend to political peace to renew the Governor's term in Victoria, where his actions had aroused the expression of such strong feeling. Sir George Bowen had written to the Colonial Office: "I receive frequent proofs that no previous Governor of Victoria has been so strong as I am in the general support and sympathy of the great majority of the community, and the only persons who regard me with hostility are a few members of the faction who had previously assailed in a similar manner all my predecessors in the Government of Victoria". Apart from its bald egotism the statement was far from accurate. It was appraised at its proper value in London, and he was transferred a few months later to Mauritius, then a Crown colony, where his robust personality and somewhat assertive egotism would find a freer scope for action.

But before his release he had to be further identified with the Berry policy, especially in connection with the much ridiculed "Embassy," which he had the pleasure of seeing off. In the speech which His Excellency read at the opening of Parliament in July, he promised a measure of constitutional reform which would put an end for all time to the recurrence of these periodical deadlocks which were disgracing Victoria. He said he felt sure, though certainly his experience hardly justified the statement, that the measure would be considered from a patriotic point of view by members of both Houses, irrespective of party. He outlined many other things, but this was the *magnum opus* of the session, and its great importance would probably preclude members from giving attention to any other legislation. In this surmise he certainly proved correct.

The Constitution Amendment Bill, introduced on 17th July, did not reach its third reading until the 8th of October. It would serve no purpose to follow the prolonged debates over a measure that never achieved the dignity of an Act of Parliament. It was essentially a sham, and proposed conditions under which the Council was to be ignored if it failed within one month to pass such Bill for "reforming" it as might be assented to by the Assembly. The Governor was to give Her Majesty's assent to this one House measure, anything in the Constitution Act to the contrary notwithstanding. There were other equally impossible proposals, and it was evident that "Reform of the Council" was a rallying cry which the great Liberal party was unwilling to part with. Hence its achievement was not sought on lines that promised success. The Council, however, took the initiative in meeting the alleged popular demand. Mr. Cuthbert, who had represented the Ministry in the Council, resigned his portfolio when the Berry Reform Bill appeared, and, in conjunction with Sir Charles Sladen, he piloted a Bill through the Council, which would have brought that body into much closer touch with the voting power of the colony. Though the attempt failed, it should be recorded how far the Council, by passing this Bill through all its stages, were then willing to go in the direction of reform. The Sladen-Cuthbert Bill proposed to increase the number of provinces from six to twelve, thus materially reducing the cost of an electoral canvass. To increase the number of members from thirty to forty-two; to reduce the tenure of the seats from ten years to six, and the property qualification to an estate yielding £150 per annum, instead of £250; and it proposed to extend the franchise to electors rated at £20 per annum, in lieu of the existing limit of £50.

It was roughly calculated that this Bill would quite treble the number of voters for the Council, giving it a constituency of nearly 100,000. Possibly on this account, when the Bill reached the Assembly the Government would have none of it. A private member secured its formal introduction, but when the second reading was proposed the Attorney-General blocked it. He declared, amidst cheers, that the Government had their own Bill, endorsed by a large majority of that House, and it would be highly inconvenient and antagonistic to a settlement to allow the second reading of a Bill at

variance with the leading principles of the Government measure. It was easily seen that it was not a peaceful settlement of the reform question, on lines of mutual concession, at which the Government aimed. Their desire was the relegation of the Council to a position of servile subordination, without any representative standing or effectual form of protest.

When the Berry Reform Bill reached the Council on 15th October that body was not unmindful of the treatment that had been accorded in another place to its own bantling, and no member was willing to act as sponsor. Like the Sladen-Cuthbert Bill its second reading was blocked, not in this case by active opposition, but by the dull clog of neglect. There had been an attempt to arrive at a compromise by a joint committee, consisting of Sir Charles Sladen, Mr. R. S. Anderson and Professor Hearn for the Council, with Mr. Berry, Sir Bryan O'Loghlen and Professor Pearson for the Assembly, but their combined wisdom was resultless. At the outset the representatives of the Assembly demanded that the Council should renounce its constitutional power of rejection in the case of Appropriation Bills. This was declined, and Sir Charles Sladen suggested in lieu that when an absolute majority of the whole Council affirmed that an item was improperly included in an Appropriation Bill it might be withdrawn and the Bill passed without it; the contested item to be referred to some colonial tribunal failing a settlement, or, *the Governor to have the power to dissolve both Houses and to take the verdict of the country.* In view of the improper use which had been made of Appropriation Bills in the past, it did not seem reasonable that all check should be abandoned. Then Mr. Berry proposed as a final offer to refer the respective Reform Bills to a plebiscite of the electors, which the Council decided could not be entertained without abandoning their claim to be considered representatives.

Agreement had certainly not been expected. There were strong indications that on Berry's part it was not desired. He had indiscreetly committed himself to a public declaration that extension of the Council's franchise would be a mistake. Popularising it would give it a better vantage-ground in any contests with the Assembly, whose will it must be rendered incapable of resisting. He could not wait on the slow process by which under the Constitution its

personnel could be changed, and he had quietly made up his mind to appeal to the Colonial Office to intervene by a direct Act of the Imperial Parliament. For months he had been engaged with the Speaker, Sir Charles Gavan Duffy, elaborating the grounds upon which he could invoke such interference. So long had this project been contemplated, and known to the Governor, that before it was submitted to Parliament Sir Michael Hicks-Beach had written discouraging the idea, even upon the not unreasonable supposition that any such appeal would presumably be the joint work of the entire Legislature.

In caucus Mr. Berry arranged that an embassy should proceed to England, consisting of the Chief Secretary, the Speaker and Professor C. H. Pearson. The latter was a recent acquisition to Parliament, a man of refined mind and cultivated tastes, courteous and polished in speech, but revolutionary in his theories about property. He was an ardent follower of Berry, in the honest but mistaken belief that the sole aim of that politician was the amelioration of the hard lot of the masses. As an erudite historian, a literary critic, and an advocate and exponent of the principles of education in its best sense, the Victorian Assembly has rarely seated his equal. But in the practice of party politics he was often dragged into equivocal positions, the simplicity of his nature rendering him unable to detect in others the skilfully concealed trickery and finesse that so many players of the game believe to be essential to success. Mr. Berry desired to keep from the Opposition all preliminary knowledge of his proposed embassy, and actually proposed a vote of £5,000 to cover its expenses without submitting the names. When, in response to the demand of Mr. Service, they had to be announced, the Speaker looked uncomfortable, and during the three days over which the debate was prolonged he endeavoured to minimise his share of the business. He had originally fully intended, even strongly desired, to go; then he had doubts whether he could be spared, whereupon he asked Mr. Berry to find some one else; when Berry declared he would not release him he yielded once more, and prepared for an effective exit. Then the press began to discuss the matter, and a widespread intimation that Sir Charles did certainly not represent the democracy of the country gave him

pause, and he finally issued an authoritative announcement that he would not go.

A few Ministerialists joined the Opposition in reprobating the whole proceeding, but protest was unheeded, and the expenses were voted by a large majority. In subsequently reviewing the vote and the objects of the embassy to his constituents at Maldon, Mr. Service said: "No more miserable confession of incompetence, of inferiority on the part of the people of this country to the people at home, was ever discussed or even hinted at". He pointed out clearly how the supposed *impasse* could be surmounted by constitutional means, which if slow were certain, while the indecent haste which invoked outside interference would assuredly result in failure and covert ridicule. On the other hand, in the unlikely event of the Colonial Secretary acting upon the advice of one branch of the Legislature, the colonists would be involved in disputes with the Crown, and possibly serious internal feud.

When the Appropriation Bill was dealt with in the Council, Sir Charles Sladen carried an address to the Governor in which he set forth a protest against the inclusion of this £5,000 in the Bill, on the ground that there was no power to appoint Commissioners to represent the colony in England without the authority of an Act of Parliament, and that no such Act existed. The address urged the Governor not to issue any such Commission, or to sign any warrant for the payment of the money proposed to be thus illegally expended. But Sir George Bowen was too far committed to hold his hand.

The day before Parliament was prorogued the Governor had received a despatch from Sir M. Hicks-Beach which should have rendered the trip impracticable, for in it he declared that no sufficient cause had been shown for the intervention of the British Parliament. As the passages had been arranged for, the despatch was kept back, with the connivance of the Governor, until after the prorogation ceremony. Sir George Bowen had been superseded, and it would not look well for his successor to discover a despatch that ought to have been communicated to Parliament, so it was published in the *Government Gazette* of 18th December, a fortnight after its receipt and about a week before the embassy sailed. The comments of the *Argus* upon the unconstitutional attitude of the Assembly in assum-

ing to be the Legislature of Victoria were so stinging that the Acting Premier, Sir Bryan O'Loghlen, publicly notified that no information would be given to that paper, while at the same time he placed at the exclusive disposal of the journal supporting him all despatches and cabled messages which he received from London during his chief's negotiations.

Needless to say that, except a very pleasant jaunt for the ambassadors in dignified state at the public expense, no benefit accrued from the mission. Mr. Berry's perfervid oratory stirred up some little excitement and temporary applause in outside meetings which he managed to get convened in London, whereat he justified his dramatic action of Black Wednesday by half truths and whole suppressions; but his glibly persuasive utterances fell unresponsively upon the ears of statesmen inured to debate and impressed with a sense of responsibility. He even deceived himself into the belief that he had made a favourable impression, and cabled out to Sir Bryan that the embassy was a pronounced success. He failed entirely in the attempt to get his views taken up in the House of Commons, and early in May Sir M. Hicks-Beach disposed of his claims by outlining the decision of the Government as embodied in a despatch he had addressed to the new Governor of Victoria, the Marquis of Normanby. This put a very different construction on the position from that which Sir Bryan O'Loghlen had led his colleagues in Melbourne to expect.

The despatch was absolutely conclusive. It declared that the circumstances did not justify any Imperial legislation for the amendment of the Constitution Act, such amendment being expressly vested in the Colonial Legislature by the Act itself. Such an intervention would involve an admission that the great Colony of Victoria had been compelled to ask the Imperial Parliament to resume a power which, desiring to promote her welfare, and believing in her capacity for self-government, the Imperial Government had voluntarily surrendered; the request being made because the leaders of political parties, from a general want of the moderation and sagacity essential to the success of constitutional government, had failed to agree upon any compromise for enabling the business of the Colonial Parliament to be carried on. There was a masterly

review of the disputes which had led up to the strained position, and much sound advice, tending to a satisfactory relation between the two Chambers.

The embassy returned to Melbourne in June, 1879, without having had the pleasure of seeing the full despatch. Having all along the line boasted of their success, they were constrained to discover much encouragement in the cold dignity of the document. At the banquet given by the National Reform and Protection League to welcome his return, Mr. Berry accepted the assurance of his followers that his mission had resulted in a most satisfactory definition by the Colonial Secretary of the relative powers of the two Houses! Nevertheless, when Parliament assembled on the 8th of July, the Governor was made to promise another measure dealing with the paramount question of constitutional reform. The three leading points of Mr. Berry's Bill, as submitted by him on 22nd July, were: That immediately a resolution of the Committee of Supply had been reported to and adopted by the Assembly, the money granted by the resolution should be legally available; that the Council should be changed from an elective to a nominee Chamber; and that in all cases where a Bill had passed the Assembly and had been rejected by the Council in two consecutive annual sessions, it should be submitted to the people for their decision by means of a plebiscite. The Opposition were beginning to rally their forces again, and the debates were so protracted that the second reading was not carried until the 25th of September, though the division showed fifty votes to twenty-eight. In committee some emendations were made, but when the third reading was proposed, the contents had shrunk to forty-three, and the non-contents risen to thirty-eight. The Government was one vote short of the number to make an absolute majority of the House, despite the activities of the whip and the obsequious truckling of the Ministry. A careful count of heads had led the Premier to believe he had secured the necessary forty-four, though it involved the degrading spectacle of bringing in a helpless, drunken member and dumping him down amongst the "ayes". But at the last moment one of the docile band presumed to think for himself and crossed over, with the result that the Bill was lost.

Before Parliament adjourned for the Christmas recess, the

Ministry applied to the Governor for a dissolution, which the Marquis of Normanby promptly conceded. This nobleman, who was in his sixtieth year when he assumed the Governorship of Victoria, was politically inconspicuous during his five years' administration, as becomes a Governor who knows his business. He was somewhat more exclusive in his official hospitality than the colonists had been used to, and while he failed to evoke any enthusiasm he provoked no animosity. His easy-going, listless manner conveyed the impression of indifference, but he was well posted in the traditions of his office, and knew exactly the position of the line which defined the Crown's share of representative government.

The year 1880 was rendered memorable in Victorian politics by a series of those disquieting and rapid changes which seemed to threaten the usefulness and the stability of Parliamentary government. It witnessed three changes of Ministry; suffered the delays and expenses of two general elections; had two Speakers successively presented to the Governor, as the chosen of the people's representatives; and the public beheld with indignant amazement that all the turmoil, plus seven months of Parliamentary wrangling, left the Assembly to adjourn at Christmas in the same attitude of effete antagonism as had distinguished its opening proceedings in May. Resultless in effect, though voluminous in talk, the chronicle of the year demands a few paragraphs.

When the curtain was rung down on the 18th of December, 1879, Sir Charles Gavan Duffy was seen for the last time in the Speaker's chair. He had played a far more important part in Victorian politics than appeared upon the surface, for he had an exceptional faculty of dominating others to ensure the accomplishment of the ends he had in view. His final words about his retirement, written twenty years afterwards, though somewhat airily acknowledging the generous treatment he had met with in his Australian career, are not without the usual touch of morbid complaint and suspicion that invariably marked his personal utterances. Apart from the generous monetary gifts of his fellow-countrymen on his arrival, he was sufficiently early in Ministerial office to secure a life pension of £1,000 per annum for two years' service; he paid two

lengthened visits to Europe, and was always readily returned to Parliament on re-presenting himself. In addition to pension rights he received altogether from the State as Minister, Speaker and member of Parliament some £20,000, and was enabled to see out the century in financial ease and intellectual occupation. On the sunny shores of the Riviera, he settled down to that literary labour which it is believed he delighted in, and in which he was certainly seen at his best. "As the session approached its close," writes Sir Charles, "I announced that I would not again occupy the chair or be a member of Parliament. I took farewell of a House in which I had served since its creation, to which I had given without stint toil of mind and body, and which had bestowed on me all the favours it could confer on a public man. I owed it much, and I should probably have finished my life in the scene which had occupied so large a section of it, but that I loathed the task of answering again and again the insensate inventions of religious bigotry. . . . I determined that my public career would end here, and that I should never more become member of any Legislature, or ever again mount a political platform."

The general election of February, 1880, was disastrous to the Berry following. Their leader had suffered eclipse; many of his nominal supporters were in revolt, and he was handicapped by the ridicule which a large section of the press poured upon his mission to England and his disingenuous accounts of its reception. The majority was so decisively adverse that Mr. Berry did not wait to meet Parliament, but resigned at once. Mr. James Service succeeded him with a strong Cabinet, including G. B. Kerferd and Dr. John Madden as his Law Officers, Duncan Gillies at the Railways, John Gavan Duffy as Minister of Lands, and two Ministers in the Council, R. S. Anderson and Henry Cuthbert. On the 20th of May Mr. Service introduced his Reform Bill, which was debated from the 1st to the 24th of June, when it was rejected on a division by forty-three votes to forty-one. If this Bill could have secured but three more supporters, there is every reason to believe that it would have been accepted by the Council. For there was a growing feeling in the Upper House that finality must be found somewhere, and Mr. Service's proposals did not go much further than the

measures which had already been carried there by Sir Charles Sladen and Mr. Cuthbert. It will be remembered that, in the conference with Mr. Berry, Sir Charles Sladen had volunteered a proposal for the dissolution of the Council under certain conditions of non-agreement. The passage of Mr. Service's Bill at that time would have saved more than twenty years of futile dispute and petty fault-finding, and saved thousands of pages of wasted declamation in the Parliamentary records.

The most important feature of the Service Reform Bill was its machinery for securing finality in disputes. It provided that if any Bill was passed by the Assembly in two consecutive sessions, and rejected by the Council in each of such sessions, the Governor might dissolve both the Council and the Assembly at the same time. If such rejected Bill should be again passed by the new Assembly, and be again rejected by the Council, then the two Houses should sit together in deliberation, and the decision of the majority should receive the assent of the Governor and become law. This was converting the absolute veto, which the Council possessed under the Constitution Act, into a suspensive veto, which, it was reasonably contended, was a sufficient safeguard against ill-considered legislation. The clauses for popularising the Council by extending the franchise, subdividing the electorates and reducing the tenure of office were, on the lines of previous suggestions, liberally construed.

Mr. Service felt that the narrowness of his defeat entitled him to ask for a dissolution, and Lord Normanby granted it, though it was less than five months since the country had been appealed to. The second general election of the year took place on the 14th of July, and even in so short an interval the unstable multitude had changed its mind. To some extent they were deluded by the rallying oratory of Mr. Berry into a belief that the Service Reform Bill was inspired by the people's enemies in the Council. Another adverse factor was a sectarian one. Sir John O'Shanassy, having failed to win over Mr. Service to his views on education matters, had declared war against him, and his influence alienated many votes. The returns showed thirty-five Ministerialists, forty-four declared Oppositionists, and seven members who refused to commit

themselves to either party. Mr. Service, however, met the House, which promptly elected Mr. Peter Lalor to the Speakership without consulting the Premier. The singular fact that two of Her Majesty's rebellious subjects, both Irishmen, should have been selected in succession for the position of the highest dignity the House could bestow did not pass without sarcastic comment. The first had been a prisoner of the Crown, the second a fugitive from its grasp, with a reward offered for his capture. The main difference between them lay in the fact that the first had by his pen persuaded hundreds of his countrymen to risk their lives and liberties in an unequal combat; the second had not said much, but had shown his faith in the cause by plunging recklessly into the fight, and bearing its disastrous scars in a crippled body to his grave.

So indecent was the haste to utilise the electoral triumph that Mr. Berry moved a vote of want of confidence in the Government before the representative of the Crown had officially opened the session. The new Speaker in face of protests allowed it to be put, and drew down upon the House subsequently a dignified rebuke from the Governor for such a violation of Parliamentary law and practice. On the 27th of July, when the Governor's speech had been read, Mr. Berry renewed his attack, and carried an adverse vote by forty-eight to thirty-five. Mr. Service at once resigned, and again Mr. Berry occupied the Treasury benches with some modifications of his old following. He managed to shake off John Woods and Francis Longmore, and he created some surprise by appointing a Parliamentary novice, who had quite recently been a clerk in the Customs House, to the Ministerial charge of that important department. It must be admitted that he tried to do better, and spent several days in vain negotiations for a coalition. Mr. Service declined his overtures, and weary of the incessant strife which dogged the steps of constitutional reform, and disappointed by the fickleness of the unreflecting multitude, he decided to withdraw for a time, and after the close of the session he left for England. When Sir John O'Shanassy was approached, he made what Mr. Berry considered such exorbitant demands as the price of his allegiance that the Premier was compelled by his followers to defy him, and to fall back on such material as his direct supporters could supply.

The first duty to which he set himself was to secure the continuance of the temporary Act dealing with payment of members, which would shortly expire. The Bill he introduced included payment for both Houses, and passed the Assembly by forty-two votes to twenty. The Council, while unwilling to accept any pecuniary recompense for their own services, recognised that the electors of the Assembly had pronounced distinctly in favour of such a measure and hesitated to assert their right to reject it. They requested a conference, which was held, with the result that two Bills were substituted for the one under discussion, and the Council rejected the one relating to themselves and passed that for which the Assembly clamoured. One of the main causes of strife was thus removed, and little else was attempted before Christmas, when Parliament went into recess for a couple of months.

A period of political tranquillity was not favourable to Mr. Berry's retention of office, even though the vigorous personality of Mr. Service was absent from the Opposition benches. It was necessary to revive the question of reform of the Constitution, which had a pleasant sound in the ears of the advanced radical party, though to them the desired reform was exclusively limited to the Legislative Council. So, early in March, 1881, Mr. Berry once more launched a Bill for that purpose. The features of the Bill in which Mr. Berry sought to outbid Mr. Service were: (1) Abolition of property qualification for members; (2) extension of franchise to the ratepayers' roll; (3) division of the provinces into thirty single electorates; but there was no attempt to secure the much required "finality," nor any allusion to the now discredited idea of the plebiscite. It seemed almost incredible that the man who had so long and fiercely declared that the Council must be and should be coerced, who had ever opposed the idea of popularising it as a dangerous mistake, now proposed to go even further than Mr. Service in bringing it in closer touch with the electors, and loftily put aside that gentleman's comparatively moderate suggestions of pressure.

When the Bill reached the Council, the President ruled that, as it dealt exclusively with the privileges of that Chamber, it ought constitutionally to have originated there. Further, a Bill with similar objects had been sent thence to the Assembly, as to the fate of

which they had not been officially advised. A reasonable discussion as to the possibility of dovetailing the two Bills into a strong and acceptable measure was not to Mr. Berry's taste, so he fell back upon the old methods of strife, and sought to stop all business by adjourning the Assembly until the Council yielded. Informal conferences were held by leaders of various parties, both in Parliament and outside, and public opinion loudly admonished Berry to come to terms. In May the Council evidenced their desire for a settlement by considering the Bill in committee, and suggesting some amendments that would justify them in passing it. When the amendments came before the Assembly, they were subjected to fierce criticism, and most of them were rejected. Finally, in June a conference was agreed to, the recommendations of its managers were eventually accepted, and the Legislative Council Reform Bill of 1881 found a place in the Statute-book. It increased the number of members from thirty to forty-two; reduced the expense of candidature by dividing the six provinces into fourteen, returning three members each; shortened the tenure from ten years to six; extended the franchise to all freeholders of £10 annual value and to leaseholders rated at £25; and the property qualification of members was cut down from £150 to £100 per annum from real estate. With the exception of an amending Act in 1890, which increased the number of members to forty-eight, the constitution of the Council remained as indicated above until the end of the century. The Act of 1881 increased the number of voters on the electoral rolls from about 30,000 to over 100,000, as against some 200,000 qualified to vote for the Assembly. It was no longer possible to deny the representative character of the Upper House, or to brand it as "a clique of money grubbers, worthily representing their own kind," in the choice language used in the Assembly by a prominent politician of the day. It had been a useful Chamber of review and check, and because its position had been rendered unassailable by the original Constitution Act, the rampant patriots, who averred that the impulsive will of the people should not be crossed, hated it with vigour and abused it with mendacious virulence. It had come well through the ordeal, and a widening popularity followed its ready adoption of the long discussed reforms. The fact that it could not be dis-

solved had much to do with the feeling of irritation so continuously displayed by the Assembly towards it; yet, but for the action of that body in rejecting Mr. Service's Bill, there is little doubt that dissolution under certain well-defined conditions would have been conceded in 1880, as indeed it was twenty-three years later, when courtesy and firmness in negotiation had replaced the bullying and bluster which characterised the Berry era.

A general feeling of relief was felt by the community at the cessation of that strife which for fifteen years had been more or less acute between the two Houses, stirring angry passions, hindering useful legislation, deranging the free flow of commerce and alarming capital. It was recognised that the possibility of deadlocks still existed; but it was hoped that, with a Council for which quite half the electors of the colony had a vote, there would be far less scope for the firebrand class agitators to inflame the multitude and stir up quarrels. One of the first manifestations of this relief took the form of a strong revulsion of feeling towards Graham Berry. His outspoken hostility towards the lately effected reform compromise, and the unabashed manner in which he turned his back on what he had said and done, and actually claimed the credit of the settlement, disgusted the Assembly and shamed his outside supporters.

Within a fortnight after the passage of the Act, a vote of want of confidence was carried against the Ministry by Sir Bryan O'Loghlen, who had been the Attorney-General of the Berry Cabinet in 1878, and the leader of the Government while his chief was away on the farcical embassy. An estrangement had sprung up between these old-time comrades in radicalism, and Sir Bryan, who was not without ambition, seeing that moderation was now the safest card to play, seized the occasion of Mr. Berry's waning popularity to overthrow him. The victim would not accept the verdict of the Assembly, and urgently appealed to the Governor to give him a dissolution, resenting the refusal which he met in that quarter with clamorous protests. Sir Bryan O'Loghlen assumed office in July, with a carefully assorted Cabinet that formed the twenty-first Ministry chosen to rule over the destinies of the colony since the inauguration of responsible government. The Premier took upon himself the combined duties of Attorney-General and Treasurer;

two experienced Parliamentarians, who had been members of the Service Ministry—J. M. Grant and Thomas Bent—were respectively Chief Secretary and Minister of Railways; Dr. Dobson, a law lecturer at the University, was Solicitor-General; and the other positions were filled by neophytes who had not been conspicuous in the brawls of the past.

The blazon on the banner of the new Ministry was "Peace, Progress and Prosperity," and though they occupied by no means a commanding position in the House, the Opposition, compounded of the irreconcilable elements of both Conservatism and Berryism, were unable to dislodge them, though they launched several adverse motions. There were good reasons for failure. Neither party was strong enough to rule alone, and the Ministry being a judicious blend there was no room for further coalition. Indeed, while the Ministerial banner carried its inscription, he would have been a very reckless and fatuous politician who would have dared to haul it down. For the country imperatively demanded peace, and the community generally were rapidly learning that progress and prosperity were unattainable without it.

The period during which Sir Graham Berry had been so politically prominent was scarred with many disasters. He had entered office in 1877 with a great flourish of trumpets, and with a surplus in the Treasury of over £200,000. During his five years' rule he imposed additional taxation which yielded over a million and a quarter sterling. When he was put out he left his successor in office to face a deficit of about half a million. His advent to power excited great expectations, and he had been accorded the support of the largest and most docile following in Parliament that any man could desire. Yet, after filling the Legislature with turmoil, and drilling his outside supporters to the flippant use of threats of "broken heads and houses in flames," he had gone out of power with nothing to his credit. His Land Tax Bill, with all its corruption-breeding details of administration and its generally admitted unfairness of incidence, had been accepted by the Council because of its unwillingness to renew a deadlock over a matter in which their constituents were almost solely interested. He had secured for his followers their £300 a year at the cost of gross injustice and even

ruin to many civil servants, of the dislocation of the business of the community and the loss of hundreds of thousands of pounds in the depreciation of property which followed the episode of Black Wednesday, with its accompanying injury to credit and expulsion of capital. For many years afterwards men counted losses and business troubles engendered in that rueful time when what was generally called "The Berry Blight" spread over the land. Few old colonists can look back without shame and mortification at the mischievous pranks which this politician was encouraged by the masses to play with the well-being of his fellow-men. The popularising of the Legislative Council was effected despite all his efforts to block moderate suggestions, and yet he had the audacity in the face of his recorded speeches to claim the credit of having carried it, and to pose as a martyr when he was refused a dissolution. He never again acquired supreme power, though as a lieutenant under the disciplinary hand of Mr. Service he subsequently occupied a Ministerial position, in which his restless energy was restrained and guided into more useful courses. But during the O'Loghlen administration, while Mr. Service was yet absent from the colony, he was a thorn in the Premier's side, and a focus of incessant though unsuccessful intrigue.

CHAPTER VIII.

"PEACE, PROGRESS AND PROSPERITY."

The somewhat monotonous chronicle of party strife and personal intrigue which filled the last chapter has crowded out all reference to matters tending to make for that peace which was to inaugurate the reign of Sir Bryan O'Loghlen.

One of these humanising factors was the great International Exhibition of 1880. Ever since the fairy-like structure had sprung up in Hyde Park, under the guiding hand of Sir Joseph Paxton, some thirty years before, buildings devoted to widely competitive exhibitions of trade, science and art had been hailed as symbols of peace on earth and good-will among men. In 1851, when the idea had the charm of novelty, the English press grew quite eloquent over the prospect of a general federation of civilised mankind, and many journals professed a belief that there would be no more war. Alas, within three years of the opening of that friendly meeting-place of all nations, tens of thousands of British, French and Russian soldiers lay in festering heaps on the blood-soaked fields of the Crimea. Within another decade three or four of the leading powers of Europe were submitting their quarrels to the arbitrament of war and tearing at each other's throats. The ghastly horrors of the Indian Mutiny; stubborn conflicts in China, Abyssinia, Ashantee, the Soudan and many another outlying field proclaimed that the lust of fight had not been killed, and that the prophesied days of international arbitration were as remote as the millennium. Nevertheless, with all the discouragements of experience, communities continued to build up hopes of minimising racial distrust and misrepresentations by the methods inaugurated so hopefully by Queen Victoria's Consort. To some extent such an enterprise took the form of a peaceful challenge, and its inauguration was only possible

when it assumed national proportions in times of prosperity and financial ease. Victoria had early caught the infection, for during the first twenty years of her golden age she was never in want of cash. Indeed, her first display of this kind was out of the very wantonness of her wealth, for she had no manufactures to show, and little produce beyond the golden ore and the golden fleece.

It was in 1854 that the Government authorised an expenditure of over £20,000 in erecting a building of wood, iron and glass, which was duly filled with all the imported miscellanies of a modern "Universal Emporium," glorified by some valuable samples of raw gold, a few hundred bales of wool, and some ponderous blocks of coal, vaguely described as having "come from Westernport". This building stood on the site now occupied by the Royal Mint, and during the month it remained open 40,000 people were said to have visited it. The same edifice was used again in 1861 for a display of local manufactures, and the intervening seven years disclosed a great advance in the industries established, all of them, of course, without any stimulus from protective legislation. In 1866 Victoria again challenged comparisons by inviting all the other Colonies to take part in an exhibition, for the suitable display of which £25,000 was spent in erecting an annexe to the Public Library. It was an undoubted success, contributed to by nearly 3,000 exhibitors and inspected by more than a quarter of a million of visitors. This was the year when the strife over the initiation of Protection to native industry was just beginning to rage, and yet without its aid there were exhibited on this occasion the products of over 900 local manufactories, covering fifty-three separate branches of trade. In November, 1872, and again in December, 1875, the same building was utilised for the display of a large collection of Victorian manufactures and produce which were intended for competition with the outside world in international exhibitions elsewhere—the earlier one in London, the later in Philadelphia.

The first International Exhibition in Australia was held in Sydney in 1879, and the inherent spirit of rivalry between the two capitals induced Victoria to essay a similar undertaking on a scale of grandeur that should distance all competitors. The colony happened to be at that time in the ascending grade of one of its cycles

of productive prosperity. Settlement was steadily increasing, seasons were favourable and harvests abundant, Parliament was in a generous mood, and a really magnificent permanent building was erected in Carlton Gardens, which, with its temporary annexes, lavish decorations and horticultural surroundings involved an expenditure of £250,000. A well-organised appeal had been officially made to nearly every civilised country in the world to send exhibits and representatives, and it was most generously responded to. Twenty-six foreign countries, from France and Germany to China and Japan, contributed specimens of their industries. Great Britain and her Colonies filled a large portion of the space. The art department of the exhibition was a revelation to the untravelled colonist. Amongst the 250 oil paintings sent out on loan, or otherwise, were many high-class works, and so well had interest been worked up in England that Her Majesty sent out four large pictures from her own private collection, depicting special ceremonial incidents in her life. The 1st of October, 1880, on which day the official opening by the Governor took place, was a public holiday, and an unwonted interest was manifested by the many thousands of spectators in the part taken in the proceedings by the officers and crews of the French, German, Italian and Dutch men-of-war then lying in the Bay. On the whole, it was the most exciting time that the native-born Victorian had encountered, and it had a distinctly rousing effect upon the ordinary prosaic level of a hard-working colonial city. Indeed, it materially helped to enlighten the too easily satisfied colonists as to their progress when compared with other countries.

The projectors of the Exhibition "builded better than they knew," for it was the means of revealing to observant foreigners the great natural resources of the country, the free spending power of the people of all classes, and the wide field which it offered for exploitation by the commercial travellers of every manufacturing country in Europe. It was Victoria's first invitation to the foreigner to come and look at her at home. When he came he saw that it was good, and he stayed. Foreigners in plenty had flocked to her shores during the gold fever—French, Germans, Scandinavians and Italians, but mainly as recruits in the army of labour—the Germans specially as agriculturists. But from 1880 onward the commercial

foreigner, by himself or his agent, began to make his mark in the arena of trade, both wholesale and retail. Continental buyers came out in annually increasing numbers to attend the local wool sales. A branch of a leading French bank was opened in Melbourne and Sydney, and the proposals of a German bank to follow suit were only diverted by the offer of satisfactory agency arrangements by an Australian institution. The Exhibition was kept open for seven months, and in addition to the army of servants and officials employed, upwards of a million persons paid for admission.

From that day forward much of the narrow provincialism of the colonists vanished. The "new chum," once the derided butt of the old identities, was no longer rudely stared at, and Collins Street began to take on a cosmopolitan aspect. The vague notions of Victoria's whereabouts and social conditions which had hitherto prevailed on the European continent had been replaced by knowledge, and the little colony, with less than 800,000 inhabitants, had actually won some sort of a standing in the regard of many leading foreign nations.

During the currency of the Exhibition one man passed away who had been the general adviser and director in previous movements of this character, and who had presided with memorable dignity over the colony's earlier displays in London and Philadelphia. Sir Redmond Barry died on 22nd November, after a very short illness, and left a blank in social, artistic and educational circles which was not readily filled. It has been well said of him that though he was not a man of deep learning himself, he had been, above all others, the means of bringing both learning and learned men to the colony. He had unquestionably been in the forefront of every movement for the intellectual development of the people amongst whom he spent his life. The University, the Public Library, and the National Gallery were his foster-children, and for their advancement he worked with unceasing activity. The huge attendance at his funeral testified to the estimation in which the citizens held his generous services, and a public subscription raised a memorial which, in the form of a handsome bronze statue, appropriately stands in front of the noble building in Melbourne which holds the fine library and the rich art treasures of the colony.

Another factor, though of a totally different character, which enabled the public mind to contemplate Sir Bryan O'Loghlen's pledges of peace was the final extinction of the bushranging industry in Victoria. The bloodthirsty ruffians who gave such a terror to that word in the early days of the goldfields had been practically stamped out. The spread of population, the greater efficiency of the police, and the incarceration or dying out of the remnants of that terrible influx from Van Diemen's Land had rescued the traveller from one great terror of the roads, and driven such of the marauders as escaped justice to the wilder regions of New South Wales and Queensland. But in the north-eastern district of Victoria, extending from the Goulburn River to the Murray, and backed by the weird Buffalo Ranges, lay a wildly picturesque, but largely inhospitable country. In this sparsely occupied region there had been bred up a second generation of young criminals, special adepts in horse and cattle stealing. For the most part they were the progeny of families where some of the parents had worn the broad-arrow on their clothing. A natural attraction brought together in these fastnesses groups of individuals who were often being wanted for some infraction of the law. They intermarried and produced children who inherited a remarkable magnetic power over other people's live stock, and a genius for altering or obliterating brands that won the admiration even of the local police. The unexplored ranges and mysterious gullies around them were eminently favourable to a business of this character. Live stock could be "planted"—to use the vernacular of the craft—for many months without chance of discovery, and when a sufficient mob was collected, it could be driven by devious passes, known only to the initiated, across the upper Murray and disposed of without question in New South Wales. Emboldened by the facility with which they raided the squatters' herds, they adopted concerted plans for taking tribute on all stock passing through the district, which at length acquired so bad a reputation that it was a difficulty to find drovers willing to take the responsibility of delivery. When possible to avoid the ill-famed tracks about the Wombat, Greta and Strathbogie Ranges by a détour of many weary miles, the extra distance was promptly accepted.

In the neighbourhood of Greta, about 140 miles north-east of Melbourne, there dwelt a representative group of such families. A convict named Kelly, originally transported from Ireland, had married into a family of kindred tastes, and in the early fifties he appears to have discovered the suitability of the district for supplying meat to the outlying diggings without the necessity for incurring the original cost. He died in 1865, leaving behind him four daughters and three sons, whose training had not been based on any recognised catechism. As they grew up, their associations were necessarily bad. Ned Kelly, the eldest son, acted for a time as a scout and assistant to Power, a notorious bushranger from New South Wales. Some of the family formed combinations with the Harts, Byrnes, Sherritts and others for mutual assistance in outwitting the police. The country was covered with what were known as "bush-telegraphs," and the appearance of a mounted trooper on the horizon set them all working. Ned and Dan Kelly had both served sentences for horse stealing, and in April, 1878, a constable was sent to Mrs. Kelly's to arrest her son Dan for a fresh offence. When he entered the hut he was set upon by a number of people, and, in the scuffle, slightly wounded by a pistol-shot. A reinforcement of police subsequently went out to vindicate the law and apprehended some of the gang, including Mrs. Kelly, but the brothers Ned and Dan had fled. A reward of £100 each was offered for their capture, and from that day they graduated from common horse thieves into idealised Dick Turpins. For five months the police schemed in vain to entrap them. The press twitting them with their incapacity, a special effort was determined on, and in October four experienced mounted troopers were detailed to scour the ranges. On the second day out, while Kennedy, the sergeant-in-charge, and one of the men were searching a likely spot, the two remaining in camp were suddenly called upon to surrender by four men who covered them with rifles. One attempted flight and was shot dead; the other held up his hands. The men were Ned and Dan Kelly, Steve Hart and Joe Byrne. When the sergeant and the other trooper unsuspectingly returned to the camp they were confronted with presented weapons. The man attempted to spring from his horse to get behind a tree, but was shot through

the head before he reached the ground. The sergeant dismounted, and from behind his horse opened fire with his revolver. The horse, being wounded, broke away from him, and as it dashed past the remaining trooper, who was uninjured, he vaulted upon its back and made his escape. Kennedy, left alone to face the four desperadoes, was done to death as soon as his revolver was emptied. His body when found was riddled with bullets, three having passed through his head. The trooper who escaped succeeded in reaching Mansfield, and gave the alarm. The whole colony rang with execration of the wantonness and barbarity of the deed. The police were put on their mettle; troopers from all parts of the country were requisitioned for pursuit; the Government reward was increased to £1,000 for each of the miscreants; and a fruitless scramble over the district aroused the ridicule and condemnation of the press and the public. The police passed on the blame to the Government for its parsimony in numbers and equipment, but meanwhile, though the members of the gang had been recognised at Wangaratta, and later near Wodonga on the Murray, they remained uncaptured.

Encouraged by their good luck, they grew derisive of the police, and in December, just two months after the murders, they reappeared and took possession of the homestead of Mr. Younghusband, near Euroa, on the North-Eastern Railway line, and there they confined all the station hands in the storeroom. A travelling hawker, who was passing along the road, was seized and the contents of his van looted, the robbers fitting themselves out with new suits of civilian clothes. Several other passers-by were run into the storeroom, until about five and twenty were placed under lock and key for the night. Leaving one of their number as an armed guard over the prisoners, the other three went down in the morning to the railway line, cut the telegraph wires, and then entered the township and took possession of the branch of the National Bank. The faint resistance of the officials was easily overcome, and having secured the cash, amounting to £2,300, they drove the manager, his family and servants out to Younghusband's station. As an indication of the imbecile terror their presence inspired, it is a noteworthy fact that, though on the drive, about three

miles, a large number of people were passed on the road, not one of the victims dared to indicate their plight by the slightest sign. After partaking of a hearty meal at the station, and waiting for dusk, Kelly made a boastful speech to his prisoners about what he intended to do with the police generally, and wound up by warning them that if any one attempted to leave for three hours after his departure he would infallibly be shot. In the gathering gloom of the evening the gang, mounted on four good horses, rode off singing, in the direction of the Strathbogie Ranges.

When the news reached Melbourne it was scarcely credited. That a township with over 300 inhabitants, on a main line of railway, with a police station, should be dominated by four men in open day—men for whom the police were believed to be industriously hunting—could not be believed. Captain Standish, the Chief Commissioner of Police, started at once for Euroa to investigate the matter on the spot. When there he despatched a number of his best men, with a contingent of black trackers to pick up the trail. But the quest was utterly futile. There were scores of confederates in all the rangey country who gave the police false information, and at the same time kept their friends fully advised.

Two months later, while the police in Victoria were tumbling over each other to earn the £4,000 reward, the daring quartette suddenly descended upon the township of Jerilderie, on the New South Wales side of the Murray, about 120 miles from the place where they were being sought. At midnight on Saturday, 9th February, 1879, they went to the police station, and by a ruse made the two constables prisoners, and established themselves in these unlikely quarters. On the Sunday two of them donned the uniform of their captives and calmly inspected the town, telling the people that they were relieving officers sent up from Sydney. They even had the audacity to take one of the local constables round with them as a guide, compelling him by his silence to apparently concur in their statements. On Monday morning they boldly took possession of the principal hotel in the town, telling the landlord who they were and promising that nobody should be hurt if they offered no resistance. The landlord, his family, servants and all lodgers on the premises were ordered into the dining-hall and

placed under charge of Hart standing at the door with two revolvers. Every person who entered the hotel during the day was added to the crowd of prisoners. The brothers Kelly and Byrne then went to the Bank of New South Wales, surprised and captured the manager and two other officers, and after compelling them to open the safes, relegated them to the custody of Hart at the hotel. Having secured all the cash, about £2,000, they visited the telegraph office, transferred the three clerks there to the hotel dining-room, and after leisurely examining all telegrams received during the day, they cut the wires and destroyed the instruments. Incredible as it may seem, the whole town was so cowed by the name of the Kelly gang that the people either locked themselves in their houses or fled to hide in adjacent creeks and gullies. About six o'clock in the evening two of the outlaws rode off, each leading one of the local troopers' horses, whereon they had packed their plunder. The other two ruffians remained a short time longer, riding up and down the main street, flourishing their revolvers and singing boisterously. Having locked up the two constables in their own station-house, with threats of what would happen if they were released within two hours, they granted leave to the people at the hotel to go home and dramatically departed.

The same spasm of excitement which had followed the Euroa outrage again spread over the community. The same carefully planned but resultless night vigils of the police; the same sneering charges of incapacity, and, what was worse, open contention between senior officers of the force as to the responsibility for failure. The Government of New South Wales added another reward of £4,000 to that offered by Victoria for the capture of the outlaws. The magnitude of the reward was so dazzling that more than one associate of the criminals was bought over to risk his life by giving information. It seldom resulted in any material benefit, for the outlaws had so many sympathisers throughout the country that every movement of the police was anticipated and every action frustrated. A man named Aaron Sherrit, who was rightly suspected of being in communication with the police, was marked for vengeance, decoyed and shot on his own threshold. A rumour spread abroad that a special train was coming from Melbourne with a fresh

contingent of police and a party of Queensland blacks to track the murderers of Sherrit. This precipitated the final stage. Early on Sunday morning the 27th of June, the outlaws made a descent on the little township of Glenrowan in Victoria, took possession of the Glenrowan Hotel, and ran in every one who came near the place, until they had about sixty people in durance there. Then they took charge of the railway station, police barracks and telegraph office, and, revolver in hand, compelled some of the railway workmen to tear up the rails on a dangerous bank just beyond the station, with a view to wrecking the special train. Every precaution had been taken by the police, and a pilot-engine preceded the train. Fortunately, the schoolmaster of the district, who had escaped from the general imprisonment, fled down the line and intercepted the special train before it reached the station. It was just midnight when the police reached Glenrowan, and they at once proceeded to storm the hotel, from whence volleys were poured upon them by the outlaws from revolvers and rifles. Reinforcements from Wangaratta and Benalla at early dawn brought up the number of police to about thirty, with several civilian assistants. In the course of the assault some of the non-combatant prisoners were wounded, and terrified shrieks went up from the house after every volley. Early in the morning Ned Kelly was discovered outside the cordon firing into the police from the rear. He had got through during the darkness, probably with a view to escape, but having been shot in the foot was unable to travel. Half a dozen rifles were turned on him at once, but the bullets, though striking him, appeared to have no effect, and for nearly half an hour he seemed to bear a charmed life. At length a shot in the leg brought him down, and when the police rushed to secure him he was found to be wearing a casing of thick plate-iron under his overcoat, and a rude kind of iron helmet on his head. This ponderous armour weighed over ninety pounds and was a decided hindrance to escape by flight. Having sent Kelly to the station in custody, the police again returned to the siege. For a long time their exhortations to the civilian prisoners to make a dash for liberty were unheeded, but about midday a frantic rush of some forty persons came tearing out with their arms in the air and crying for mercy. A few known sympathisers were detained in custody,

the rest were dismissed to their homes. From this crowd it was learned that Byrne had been killed by the first volley of the police, and that the only remaining occupants were Hart and Dan Kelly. Although the fire of the outlaws had ceased, and there were now about sixty apparently resolute men around the building, no attempt was made to take it by storm. Yet it would not have been a supremely dangerous task, for the aim of the outlaws, encumbered by their ponderous armour, had been notoriously bad, only one of the attacking party, Superintendent Hare, having been seriously wounded. Subsequent evidence indicated that Kelly and Hart were helpless, if not actually dead, by this time, both having been wounded early in the day. With a caution bordering on timidity, it was considered wiser to set fire to the hotel rather than risk the sacrifice of more lives. This it was contended would at least prevent the desperadoes escaping under cover of the approaching night. There was no attempt at such escape, even when the building burst into flames, and a subsequent inspection of the débris discovered the ghastly remains of the two men encased in their iron shrouds. From their position there was little doubt that they were dead before the fire reached them. With his capture and the death of his three companions in crime, all the braggadocio of Ned Kelly rapidly evaporated. He was as abject a specimen of the detected criminal as could be readily found, and when the judicial end came it was with difficulty his spiritual adviser could enable him to stand erect under the gallows.

It was a humiliating reflection for the Victorian colonist that the whole machinery of Government, the apparent zeal of a well-disciplined and costly police service, the stimulus of enormous rewards, and an expenditure of fully £100,000 were, for two whole years, insufficient to check the predatory career of these four reckless dare-devil boys. For they were little more at the time of their outlawry for shooting Fitzgerald. Ned Kelly was twenty-four, but his brother was only seventeen, and both Hart and Byrne were under age. They were products of the soil, all born in the infected district. The fact that the territory that bred them held scores of active and avowed sympathisers with their lawless career gave cause for anxious reflection as to how deep the taint of imported

convictism might have penetrated. The meteoric display of successful bravado acted injuriously in many respects. It inflamed a lot of half-taught youths with wild ideas of the heroism of a freebooter's life, and with sickly sentimentality placed Kelly on a pedestal beside the buccaneering celebrities of the Elizabethan age. They pictured a man of abundant resources, riding the noblest of steeds, wearing the armour of Ivanhoe, greeted by the smiles of maidens and the applause of comrades; robbing only those who could well afford to lose and generously sharing his booty with the poor. The creature that was so idealised was for most of his time a poor shabby skulker, hiding from decent people, distrustful of his own comrades and relations, gorged and intoxicated one day, to go hungry for many others, sleeping in his clothes for weeks together, with no peace of mind, and no rest from the haunting dread of capture.

That such a gang could lord it over authority so long was a blot on civilisation, and their extermination, slow and costly as it was, relieved the colony of a stigma, and finally closed the episode of bushranging in Victoria. In its expiring flutter it revealed one regrettable trait in the character of a Victorian crowd, an ingrained sympathy with defiance of the law, in which it must be admitted that the chosen legislators of the people had set a bad example. At a meeting of fully 5,000 persons held in Melbourne, whereat one of the most passionate speakers was a prominent politician who once held Ministerial office, resolutions were unanimously carried urging the Government to spare Ned Kelly from the extreme sentence of the law. Foolish and treasonable speeches were tumultuously applauded and much maudlin sympathy paraded. But although similar gatherings were held in several other towns in the colony, and many petitions were received, the Executive, representing the opinions of the sane majority, refused to palter so grievously with the claims of justice.

The reign of Sir Bryan O'Loghlen, Bart., from July, 1881, to 1883, was nearly colourless in its legislative aspect, for he was practically without a Parliamentary majority. It was an epoch of marking time, varied by occasional feints at the overthrow of the Administration. Peace, in the political sense, had been to a large

extent secured by weak concessions to expediency. Prosperity had also followed, but it was due to a succession of good agricultural seasons which largely increased the exportable products of the country. In a material aspect this was progress, but it owed nothing to Parliament or to any fostering care by the Ministry. The constitutional party felt the loss of their experienced leader, Mr. Service, and when later on his nominated successor, Mr. Murray Smith, departed for London to assume the duties of Agent-General, they remained somewhat disorganised and ineffective. As a party they came to the rescue of Sir Bryan when he was hard pressed, for poorly as they may have esteemed the acquiescent Premier, the restoration of Berry to power was a thing to shrink from.

It was indeed rather difficult to concentrate interest on local politics, for the colonists were greatly excited during 1882, firstly, by the cabled news of the murder of Lord Frederick Cavendish and Mr. Burke in Phœnix Park, Dublin, and later by the outbreak of the war in Egypt, arising out of the rebellion of Arabi Pasha. The time seemed singularly inopportune, while patriotic feeling was strongly stirred, for the Irish residents in the colony to forward the notorious Grattan address to their discontented countrymen on the other side of the world: an address wherein Her Majesty's Government was referred to as a foreign despotism, and resistance to its lawful commands lauded as a proud manifestation of courage and self-reliance. As the address bore the signatures of five members of the Legislative Assembly, two of whom were ex-Ministers of the Crown and sworn Executive Councillors, the House was very properly called upon by Mr. J. B. Patterson to formally disavow any sympathy with its doctrines and language, and to express its disapproval of the conduct of members of their own body in dishonouring their oath of allegiance. In view of the prompt protestations of loyality by the inculpated members, Mr. J. G. Francis blocked the motion by moving the previous question. Two days later he submitted a resolution more mildly phrased, accepting the assurance of the signers as to their undiminished loyalty, but formally renewing and emphasising the declaration by the House of its faithful attachment to Her Majesty's throne and person. Even thus modified it was only accepted on a division by thirty-

seven votes to twenty-four, and amongst the dissentient were Graham Berry and no less than nine ex-Ministers. It is to be noted that of the prominent Irishmen, Sir Bryan O'Loghlen and Sir John O'Shanassy loyally supported Mr. Francis. Mr. John Gavan Duffy and Mr. Francis Longmore, the two ex-Ministers who had signed, absented themselves from the division.

Perhaps the most prominent political event of this period was the revival of a groundless clamour for anti-Chinese legislation. The antipathy manifested by the working classes in Victoria to the Chinese is undoubtedly based upon fear of the effect their presence may have on the wages question. The real issue has been much mixed up with denunciations of the demoralising effect which the community would suffer from their squalid habits of life, their heathen vices, their gambling, opium smoking and debauchery. There was never at any time grounds for really believing that miscegenation could leave its stamp upon the colonists. The number of European women who would look favourably upon a matrimonial alliance with a Chinaman was and is infinitesimal. Nor was there any justification for the oft-repeated platform statement that the yellow man would soon become an aggravated repetition of the negro problem in the Southern States of the American Union. As a matter of fact the Chinaman did not come to stay. His love of the Flowery Land, the obligations of his religion—for despite all sneers to the contrary he had a religion under which morality mixed with superstition laid upon him very binding obligations—required him to return to the land where his ancestors were buried as soon as he could. And towards that end he laboured diligently. The Chinese labourer in Australia is mainly represented by the Cantonese, perhaps the least favourable specimens of their countrymen. As a rule, under British Government he is found to be inoffensive, peaceable and law-abiding; patient under oppression, uncomplaining and philosophically fatalistic. By plodding industry and assiduous attention to work, he will coax a yield from nature and make money off a tiny plot of land which a white man would scorn to own. His work in this one direction alone was of enormous benefit to the colonists, and of vital consequence to their health in the early days. His wages were honestly earned, but because of his success he was

reviled, persecuted and assaulted by that large class of shiftless loafers who hang on the skirts of labour waiting for something to be done for them.

Irrefutable statistics show that relatively to their numbers the men denounced as ignorant pagans and filthy barbarians stood lowest on the list of committals for criminal offences, and that in the matter of sobriety they headed all the other nationalities. The gambling instinct, so characteristic of the race, was limited to genuine games of chance, into which no adventitious aids from fraudulent manipulation entered. Raids have been repeatedly made upon players of "fan tan," and batches of Chinamen have from time to time been fined or imprisoned for indulging in its delirious excitement, yet it is no exaggeration to say that more money is lost and won in the gambling of a single Melbourne Cup Day, unchallenged by the law, than changes hands in ten years amongst the Chinese in Victoria. Opium smoking is a deplorable vice, but it is far from being so prevalent as is supposed. Compared with the drunken excesses of the same class of white men, it may indeed be called quite venial. Its evil consequences fall rightly and solely on the slave of the habit, not, as in the case of drunkenness, on innocent dependants and helpless children. Nor does the habit ever give rise to those brutal frenzies, often issuing in wanton murders and other barbarities, that constantly disgrace the records of colonial police courts. Of the better class of Chinese merchants, the commercial community and Australian bankers can bear testimony to their honourable dealing and scrupulous regard of their obligations.

But whatever opinions may have been held about the Chinaman in 1882, the revival of panic legislation against him was a weak yielding to mob clamour in the face of the clearest statistical proof that it was unnecessary. Up to the end of 1853 the Chinese in Victoria did not number more than a couple of thousand. During 1854-55 they began to arrive in considerable numbers. So rapid was the influx that by the end of 1857 they were estimated at 25,000, the great majority being engaged on the diggings. The Legislature had already taken alarm, and in 1855 imposed a poll tax of £10 on every Chinaman landed in the colony. In 1857 Mr. Childers brought in a Bill to repeal the Act, but it was rejected by the

Council. In 1859 Sir John O'Shanassy carried a resolution imposing an additional residence tax of £1 per quarter on all Chinese in Victoria, which led to much petitioning from the victims for a more even-handed justice. The Chinese digger then had to pay £10 on arrival, £4 a year for residence and £1 for his miner's right, yet so assiduous was his labour that even with this handicap he could live well and accumulate money off abandoned fields where white men were unable to earn rations. In 1862, on the motion of Mr. R. D. Ireland, the residence tax was abolished. In May, 1863, a Bill was introduced to suspend the poll tax for two years on the ground that it was no longer necessary, the exodus of Chinese having commenced. The debate was exceedingly lively. Mr. R. S. Anderson made the somewhat extreme statement that the number of Chinese in the colony had decreased from 40,000 to 20,000, but it is exceedingly doubtful if the higher number was at any time reached. The proposed Bill was supported by McCulloch, Francis, Duffy, Gillies and others, and vehemently attacked by the members who were under the influence of the then unorganised labour party. The arguments based upon equity and humanity were scornfully rejected, and the opponents mainly confined themselves to mendacious abuse of the proscribed race. Charles Jardine Don, who was then the Parliamentary representative of the nascent Trades Hall, declared that it was false to imply that the opposition was based upon a question of wages. The men of his class he declared were not at all afraid of such competition, and he wound up a fine burst of invective by saying, with fine inconsequence: "They were a race of atheists, and an Englishman could do more work before breakfast than a Chinaman could do in a week". Anything much wider of the mark could hardly have been spoken, but as it symbolised the logic of the opposition it is not surprising that the Bill was carried through both Houses. In 1865 McCulloch brought in another Bill to make the temporary revocation of the poll tax permanent, which became law in due course.

For fifteen years Parliament was untroubled by the Chinese question, for it was solving itself. At the census of 1861 their numbers were returned at 24,732; in 1871 they had further decreased to 17,935, and in 1881 to 12,132. In the face of these

figures it is difficult to understand how the renewed agitation was worked up. It is certain that the general falling off in the productiveness of the goldfields had drafted a number of Chinese into more settled occupations, and in New South Wales many had found work on farms and stations where their industry and sobriety secured them a preference. Early in 1881 a mass meeting was held in Sydney to protest against this step, and one of the speakers gave a tone to the discussion by moving that "every squatter and farmer who employed Chinese labour should be burned out. A box of matches," he added, "would work the cure." Delegates from the meeting waited on the Government and demanded drastic measures of restriction. The fire thus kindled spread to Melbourne, where the competition of Chinese labour in the cheap furniture trade was beginning to be felt. The working man, seeing only the competition, ignored the fact that he and his wife, in their blind worship of the fetish of cheapness, were the real supporters of this branch of Chinese industry. The well-to-do classes preferred the finer articles of European manufacture, despite heavy Customs duties, and the middle classes, while content with colonial manufacture, were yet willing to pay a fair price for it. But if the working man's wife could save ten shillings on a cheap chest of drawers, no sophistry about competition would divert her from her bargain.

The surly exclusiveness of the working man, when he thinks his personal interests are affected, is not curable by the most powerful arguments or the most cogent reasoning. He knows his strength at the polls, and he expects to get what he fancies he wants. Sir Bryan O'Loghlen capitulated to the clamour, and after an informal conference came into line with the New South Wales Government, by reimposing the poll tax of £10 per head, and prohibiting all ships from bringing more than one Chinese passenger for every 100 tons of burden, under a penalty of £100 for every immigrant landed in excess of the legal number. A degrading condition was attached even to this restricted admission, that reduced the Chinaman who sought to sell his honest labour to the level of a ticket-of-leave convict. He received a certificate on landing, which he was required to produce to the police whenever

demanded. Being at large in Victoria without it rendered him liable to a fine of £10, or, in default, twelve months' imprisonment. Many poor creatures were sent to prison because they had not understood the importance of taking care of the certificate, and were unable to satisfy the bench that they had paid for it. Gross injustice was inflicted, quite equal to anything the exasperated diggers revolted against in the bad old licensing days, but the Chinaman had no vote, and his wails could be safely disregarded. Purposeless, cruel and repugnant to British ideas of justice as this legislation was, it easily overbore the opposition of the constitutional party in the Assembly, and with some slight amendments in the Council it became law. Beyond adding to the disqualifications under which the Chinaman labours, and giving a kind of legal support to the persecutions and ignominy he already endured, the Act had absolutely no effect in the direction at which it ostensibly aimed. The steady decline in numbers continued at about the same ratio previously shown, and the census of 1891 disclosed a reduction to 9,377, of whom, by this time, 605 were females, non-combatants in the wages strife.

In 1882 Parliament was continually in session from 25th April to 21st December. A month was wasted at the outset by a dragging debate on the address in reply to the Governor's speech. Graham Berry sought to append to it a paragraph censuring the Ministry for having ordered from England railway plant and water pipes, which he alleged could have been manufactured in the colony. The month's talk left no one the wiser, but the proposal was rejected by forty-five votes to twenty-nine. It was a sample of the attitude frequently assumed towards the Premier, which at times became so pronounced as not only to block legislation, but even to take the business of the House out of his hands. Mr. Bent, the Commissioner of Railways, made desperate efforts to ensure popularity by proposing extensive railway works, involving the construction of over 800 miles of new lines, many of which, it was easily recognised, could only add to the increasing drain upon the revenue. But under existing circumstances they found enthusiastic supporters in the men whose constituencies were supposed to be benefited; while outside Parliament the stalwart sons of labour then regarded Mr.

Bent as a sort of patron saint. It was not without some abject concessions that the Parliamentary session was at last brought to a close, the prorogation being from 21st December to 13th February, 1883. Once safely in recess, however, Sir Bryan bethought him that the conditions under which he had been kept in office were unendurable, and he inclined to the belief that an appeal to the country would give him a good working majority. He satisfied the Marquis of Normanby that his expectations were well founded, and on the 30th of January the community was surprised to see the dissolution of Parliament gazetted, and provision made for a general election on 22nd February. Consternation seized upon politicians; the time for organisation was short; party lines were practically non-existent, and a wild rush was made to the polls by men who were ready to promise anything suggested to them.

Although there was no burning question prominent at the general election of 1883, there were indications that some sectarian heat was thrown into it, and it is more than probable that the feeling roused by the debate on the Grattan address affected the issues. The result was disastrous for the Ministry—Sir Bryan O'Loghlen and one member of his Cabinet lost their seats—but his persistent antagonist, Graham Berry, had a very narrow escape from rejection at Geelong, his own stronghold, where he had ever been wont to head the poll. He was the lowest of the three candidates, and less than forty votes ahead of the fourth. Amongst the rejected of the people on this occasion were Sir John O'Shanassy, Francis Longmore, and three other prominent members of the Irish party. The relegation of O'Shanassy to private life after thirty-two years of an active political career was not without a touch of pathos. He had rendered yeoman service to the State in his early days; he had a sound grasp of constitutional questions, was a forcible though not elegant speaker, and had long bravely combated the parochialism of Protection and the selfish exclusiveness of the anti-immigration party. Yet the Belfast electorate, with more than 4,000 on the rolls, preponderatingly Irish, had only recorded a paltry 320 votes for him. No doubt his influence as a statesman had been seriously handicapped by his devotion to the interests of his creed and his countrymen, and by his rigid opposition to the State education

which the majority demanded. To overthrow that, which he honestly believed to be prejudicial to the moral well-being of the colony, he sometimes descended to intrigue, and offered conditional alliances which several Governments in succession found to be seriously disturbing influences. He took his rejection very grievously to heart, stung by the ingratitude, as he openly declared it, of his own people, for it was for them he had worked without any taint of self-seeking. His health gave way, his spirit was broken, and after a few weeks of depressing melancholia he died within three months of his defeat, and was accorded a semi-public funeral on the 7th of May, 1883.

The man to whom the country now looked to chart its political course was James Service. On his return from England he had announced his intention of re-entering Parliament, and he was a candidate for Castlemaine at the general election. His speech to the electors there on 7th February, 1883, contained an able review of the O'Loghlen administration. His special skill in matters of finance enabled him to locate in the Treasury the sources of its greatest weakness. He had, in London, been a deeply interested spectator of the failure of the Four Million Loan offered by Sir Bryan at the wrong time and at the wrong reserve, in opposition to expert banking advice tendered to him both in London and Melbourne. Mr. Service was able to present the transaction in its true light, and to show that the failure was not, as the press generally contended, due to loss of credit, but entirely to want of reasonable foresight and some slight knowledge of the operations of the money market. But he was far from confining himself to fault-finding. He dwelt upon the necessity for practical legislation, the desirability of giving the lately achieved Reform Bill a fair trial, without perpetual tinkering amendments, and the paramount importance of superseding political patronage in the Government service by carefully prepared legislation. In answer to questions as to his attitude towards Protection, he said: "I have always been and am now a Free Trader, but I shall never be a party to alter the policy of the country surreptitiously. When I can convince the rest of the colony that Protection is wrong and Free Trade is right, and when the country sends in a Free Trade Parliament, then, but not till then, can the Protectionists' policy be overturned."

It was at this meeting that Mr. Service put forth his views on Australian Federation, a subject to which during his European holiday he had given much consideration. For purposes of continuity, it will be more convenient to summarise his labours in establishing the Federal Council, and otherwise stimulating the federal spirit, in the last chapter of this volume, devoted to the Commonwealth. Suffice it to say here that of all the many claimants for the honour of bringing about that confederation, Mr. Service was the man who, while the air was full of sentimental abstractions, condensed them into something within the range of practical politics.

The Legislative Assembly on its first meeting after the general election encountered a scene bordering very closely on the ludicrous. The Ministry appeared disposed to calmly ignore the fact that the numbers had gone against them, and that even their Premier was a disconsolate absentee. After listening to the Governor's speech outlining the work of the session, Mr. J. M. Grant, the Chief Secretary, coolly gave the usual notices for the formation of the sessional committees, and read the list of members as though no change was impending. Then a member moved the adoption of the address in reply, which was briefly seconded, and with only half a dozen direct supporters behind them, the Ministers calmly faced an Opposition of about fifty and waited for the first move. A brief silence of surprise was broken by Mr. Service, who, without any prefatory statement, simply moved that His Excellency's advisers did not possess the confidence of Parliament. Mr. Berry seconded the motion with equal brevity, declaring that in view of the country's unmistakable verdict any argument was uncalled for. The dying Ministry fought very hard for some charge to be formulated against them, but the Opposition would not be dragged into discussion. For some time they resisted Mr. Grant's demand for an adjournment as undesirable and unnecessary, but the pleading was at length so abject that the House finally yielded the point and allowed him a few days to make up his mind what he would do. Mr. J. B. Patterson, when shortly afterwards addressing his constituents at Castlemaine, said, in reference to the scene, that he had witnessed the exit of several Governments: some he thought

"cleared out in too much haste, others had been literally kicked out, but it remained for the tail of the O'Loghlen Government to be positively scraped off the Treasury benches".

When entrusted by the Governor with the formation of a Ministry, Mr. Service had no easy task. During the preceding two years of lax leadership the old Assembly had got out of hand, while the newly elected body had not been returned on any definite party lines. It was not a question of counting Ministerialists and Opposition. The general election had resulted in a House containing thirty-eight members pledged generally to constitutional principles; thirty-two who declared themselves liberals or radicals; and fifteen who professed to be independent, which being interpreted meant that they could be depended on by neither of the defined sections. It was hopeless for the constitutional party alone to form a Government which could sufficiently command the prompt passage of necessary legislation, or check the deplorable waste of time that had for so long been expended rather in personal contention than in honest discussion. With the views enunciated by Mr. Service in his address the community was generally in accord. He had called a truce to any fresh agitations about reform, or even Protection, and payment of members was safely in port. It seemed that the only way to secure prompt and efficient legislation was to form a combination with the radicals and agree to work together for the public good. Such a course promised peace, while either of the main parties alone would be heirs of political strife, and their existence would be continually threatened by a score of office-seekers who might be able to succeed in moulding the so-called independent section to their purposes.

At first there was some natural shrinking from the idea of Mr. Service allying himself with a man of Mr. Berry's flaming record, but the prevalent demand for peace and progress gradually overcame this, and Parliament, press and public were at length all but unanimous in desiring that the experiment should be made. It was a high tribute to the capacity of Mr. Service for firm leadership and disinterestedly honourable administration that the constitutional party had such reliance on his ability to keep the radical half of his Cabinet under safe control. With something like twenty

expectant Ministers the selection of three each by Messrs. Service and Berry necessarily left some soreness and discontent. But the ill-feeling had to be faced, and presumptuous self-seeking to be properly snubbed.

Mr. Service as Premier took charge of the Treasury and the Education Department. His selected colleagues were Mr. G. B. Kerferd as Attorney-General, Mr. Gillies, Commissioner of Railways, and Mr. Levien, Minister of Mines and Agriculture. Mr. Berry as Chief Secretary and Postmaster-General selected Mr. G. D. Langridge for the Customs, Mr. A. L. Tucker for the Lands Department, and Mr. Alfred Deakin as the Minister of Public Works and Water Supply. To these were added Mr. R. S. Anderson as Minister of Justice, and Colonel Sargood without office, as representatives of the Cabinet in the Legislative Council. Six months later Mr. Anderson died, and on the readjustment of offices Mr. Deakin became Solicitor-General and Colonel Sargood assumed the newly created duties of Minister of Defence. The press generally received the coalition with favourable justification. The strongest support was based upon the necessity for avoiding the possibility of reverting to the feeble chaos of the last session, with its divided interests, each too weak to assert itself. It was also urged that Mr. Berry's wanton excesses in the past had been due to the desperation of his position. An incessant intrigue for office when out in the cold, and, when on the Treasury benches, a perpetual dread of ejectment. His admirers clamoured for him to have a chance of showing what he could do when relieved from the desperate struggle for existence. His readiness as a debater and his power of arousing enthusiasm in his followers were generally acknowledged. Neither of these qualities were characteristic of Mr. Service. In debate he was too anxious to be perfectly just, to make those telling dashes of oratorical statement which, though perhaps easily answered, sometimes win by their very audacity. As a leader he never hesitated to deal candidly and truthfully with his party, and the occasions are indeed rare when an enthusiastic following can be evoked without throwing some glamour over it not quite consistent with the plain truth, or some flattery that is far from genuine. The preponderance of opinion was in favour of the alliance, and the results

justified the step, for the political annals of those days can be read with complacency. The twelfth Parliament of Victoria, which embraced the period from July, 1883, to December, 1885, was devoted to business with a zeal and assiduity to which members had long been unaccustomed. The firm hand of a capable leader was in evidence, and though a large portion of the Premier's time was devoted to dealing with the growing topic of federation, and important questions in which the co-operation of the other Colonies was sought, he was yet able to impress the authority of Parliament on several measures of moment which had been foreshadowed in his election address. The Opposition during 1883-84 was never strong enough to materially hinder business, though it occasionally made efforts to retard those measures which deprived members of the political patronage they had long enjoyed in appointing servants of the Crown.

The two important measures which Mr. Service introduced for blocking this avenue to corruption were the Public Service Act and the Railway Management Act. They were of distinct benefit from the twofold aspect of discipline and economy. The Civil Service and the Railway Service were alike overmanned. What was worse, they were largely congested by inefficiency, and were rapidly becoming close preserves for members of Parliament, their friends and supporters. Under the Public Service Act of 1862 all sorts of unfit hangers-on had been foisted, under the guise of supernumeraries, into positions of emolument that were virtually permanent. This was stopped. The new Act decreed that, excepting in the professional branches, the Civil Service could in future only be entered at the foot of the ladder, by passing a competitive examination and thereafter awaiting a vacancy. The examination was fairly good, but by no means a severe one, a sort of half-way house between a State school certificate and the University matriculation. A permanent Board of three Commissioners, specially exempted from political influence, had to classify the work of all the departments, assess its value, and see that when matters were once adjusted there should be approximately uniform pay for the same work throughout the colony. The scale of remuneration was fixed by commencing age, but promotion was to depend on seniority and merit

combined. Under certain defined conditions of increment, minimum and maximum salaries were scheduled for each class—seniority could carry mediocrity to the top of his class, but before he could step into the next class efficiency had to be counted. It was here that the machinery eventually displayed weakness. The Act appeared to provide an equitable solution of all claims, but its administration required tact, patience and that rare capacity which enables men to accurately appraise character and ability in others. Mr. Service was quick to see that a Board composed exclusively of senior civil servants could hardly be expected to deal with their colleagues without some slight preference or prejudice, and he appointed two outsiders, Mr. J. M. Templeton, a professional actuary and accountant, and Professor Irving of the Melbourne University. To these was added Mr. Couchman, a Government officer of long standing, then the permanent head of the Mining Department.

The chief defect disclosed in the working of this Act was the attempt to deal with the service as a whole in the matter of promotion. Thus a man who had perhaps spent all his career in the Custom House could claim his promotion to a vacancy of superior grade arising perhaps in the Public Library, and unless a charge of absolute unfitness could be formulated against him he could not be passed over. This was entirely at variance with the practice of the Civil Service in England, where each department of State is kept entirely distinct, and no outsider may intrude. The general rates of pay in Victoria and the very attenuated scale of increment were quite inadequate to offer any attraction to men of ability to enter the service. The youth who had ambition, and capacity to justify it, could in commercial pursuits command a salary in a few years for which in the Civil Service he would have to wait half a lifetime. And, unfortunately, with the passing away by retirement in 1888 of Mr. Templeton, the Chairman of the Board, and Professor Irving, the control passed entirely into the hands of senior officers of the public service, and the administration of the Act was even for a time tacked on to the duties of the Commissioners of Audit. This was entirely subversive of the principle of independent supervision for which Mr. Service contended, and in a very short time seniority became again the real ground of promotion, and its com-

bination with merit as required by the Act was only a figure of speech.

The reforms aimed at in the Railway Management Act were of the first importance. That they came short of accomplishment was not due to defects in the measure, but to the impossibility of finding the man possessing the unique qualifications demanded for its administration. Mr. J. B. Patterson, who had been Minister of Railways in Berry's Cabinet, had been so hunted by his fellow-members of Parliament to find places for their friends and supporters that he formally handed over all appointments and promotions to the Engineer-in-Chief and the Departmental Secretary, and firmly declined to have any voice in the matter. But such a Ministerial arrangement was of course not binding, and when the O'Loghlen Government came, Mr. Bent, the new Minister of Railways, speedily took the whole department back into his own hands. Therefore Mr. Service argued that the only certainty lay in an Act of Parliament which should take the control of the service, the expenditure on construction and maintenance, and all the details of working out of the hands of the Minister and vest it in a Board of three capable experts. To ensure some feeling of independence they were to be appointed for seven years, and would thus have a chance of showing the benefits of continuity in policy, instead of the vagaries which had latterly been the result of every change of Ministry. The man who could be relied upon for firm and independent control, whose advice would have impressive weight with Parliament, was worth any salary, and it was decided to pay the Chairman of the Board £3,000 a year and his two colleagues £1,500 each. The radical party made a great outcry against extravagance when these figures were scheduled in the Bill, but it is beyond all question that if the chairman could have worked the Act in its integrity, and have been a real check on Parliamentary log-rolling and recklessness, he would have been cheap at £10,000 a year.

Mr. Richard Speight, who was eventually appointed to the position, came from England with the highest credentials, and the manner in which he grappled with the position in the early days of his charge justified Mr. Service in the optimistic views about the future of the railways which he expressed in 1886. On about 1,500

miles of railway open when Mr. Speight took charge, the revenue earned during 1883 had been £624,000; but after providing for the interest payable that year on the debenture capital of nearly £21,000,000 there remained a deficit of £235,000 to be borne by the general revenue. On the 30th June, 1886, Mr. Speight was able to show, with an additional 240 miles open for traffic, a net revenue for the year of £1,018,500, and after providing for all interest on the enhanced debenture debt there remained an actual profit of £61,483 to be handed over to the Treasurer. The book-keeping of the Railway Department had always been regarded as incomplete and unsatisfactory, and it is impossible to say how much of this marked improvement was due to better management, or what portion was the result of neglected maintenance, or to the charging to capital that which ought to have been defrayed out of current revenue. If, as was freely alleged at the time, the latter conditions were made subservient to the desire to show a profit, the result was most unfortunate, for the public promptly declared against the Government making a profit out of them, and so vigorously demanded reductions in charges that they had to be conceded. In 1887 a profit of £40,457 was shown, but the following year, owing to the costs entailed by a deplorable accident at Windsor, the figures were reversed, and a debit of £53,680 had to be passed on to the Treasurer.

In any case, the results shown in 1886, assuming them to have been honestly attained, led Mr. Service to make the declaration that under proper management the railways could easily be made to pay the interest on the colonial indebtedness; and when that was achieved, he was of opinion there would still be room for substantial reductions in fares and freights. It certainly looked like a reasonable forecast at the time Mr. Service was speaking his farewells to the electors of Castlemaine; but he had not long retired from office before the firmness which Mr. Speight had shown in reforming the department began to be undermined by insidious political interference against which he failed to make the stand expected of him. Instead of being the commanding figure by whose advice Parliament would be guided in important railway projects, to whose expert knowledge it would readily defer,

he became a pliant instrument in the hands of cliques and schemers, a condition which eventually brought about his own downfall, and scattered to the winds Mr. Service's prophetic vision. Nevertheless, the principle of independent expert management, as set forth in the Act, was so admittedly right that all the adjoining Colonies followed the example of Victoria.

Beyond these two reconstructions of important departments the Service Government introduced a Mallee Land Act, which brought into leasehold occupation several millions of acres of land in the north-west corner of the colony that, ever since its first discovery by Sir Thomas Mitchell, had been regarded as practically useless. The Water Conservation Act of 1883 made provision for extensive irrigation schemes, under the control of local municipal trusts, and though its usefulness was greatly retarded by costly blunders at the outset in engineering and administration, it has proved a valuable factor in stimulating production. It fell to the lot of this Government to settle a question that had for more than a quarter of a century been often, but ineffectually submitted to Parliament, and the Act for regulating mining on private property was generally accepted as an equitable solution of the difficulty. The Discipline Act passed in November, 1883, gave something like definiteness to the measures for colonial defence, and superseded the old volunteer system which had fallen into disrepute. In laying the foundations for the Defence Department, now an important arm of the Commonwealth service, the Cabinet was greatly assisted by Colonel Sargood, who remained through all subsequent changes of administration one of the foremost champions of the necessity for being prepared to meet the unexpected.

The strenuous part which Mr. Service had taken in supporting the annexation of New Guinea by the Queensland Government, and the determined, even aggressive front he presented to the Secretary of State for the Colonies in respect to the French designs on the New Hebrides, brought him prominently into notice far beyond the limits of Australia. He urged with impetuosity that all the islands between New Guinea and Fiji should be brought under the protection of the British Crown. He inveighed against the undisguised intention of France to concentrate the bulk of her doubly convicted

criminals on an island within forty-eight hours' steaming of the Queensland coast. He drew a vivid picture of the horrors that might ensue if, on a rupture with France, the 20,000 convicts already in New Caledonia were turned loose to ravage and destroy in the sparsely populated territory of the northern colony. A burst of enthusiastic support was aroused in all the Colonies, but the British Colonial Department did not catch the fever, and were freely charged at the Antipodes with supineness and even with imbecility. International considerations had apparently greater weight in Europe than was accorded to them in Australia, and while correspondence was passing, Germany stepped in and took possession of the northern half of that portion of New Guinea which was not claimed by Holland, and Great Britain was fain to be content with the eastern end, and that portion of the south coast that overlooks the great maritime highway of Torres Strait. Mr. Service always maintained that the failure of his efforts in this direction was due to the hostility of Mr. Stuart, then Premier of New South Wales, who, having nothing of the lust of Empire about him, declined to commit his Government to a share in the expenses and responsibility of control. The agitation, however, was not without benefit, for it saved the New Hebrides from seizure by France, and diplomacy secured a satisfactory modification of that country's policy in the matter of the récidivistes.

Successful as the Service Government was in local legislation and matters of international concern, the period was perhaps most happily distinguished by the satisfactory handling of the State finances by the Treasurer. Under Sir Bryan O'Loghlen they had drifted into a somewhat chaotic condition, involving the constant borrowing of trust funds, and the incurring of heavy obligations in anticipation of the floating of loans. Indeed, it was a startling discovery to Mr. Service to find, on taking charge, that his predecessor had not only used up all the cash balances, and borrowed from trust funds to the extent of nearly a million sterling, but had also incurred liabilities of at least another million for purchase under contract of rails and rolling stock for about 800 miles of railway, the construction of which had not been authorised by Parliament. It required firmness, patience and financial knowledge to

bring the State ledger into presentable form, and there were few men in the community who were more fitted for a work of the character than Mr. Service.

It must be admitted that in the task he undertook Mr. Service was greatly favoured by the special conditions of general prosperity which the good seasons had brought about. There was a steady inflow of population; about 50,000 acres per annum were being added to the land under cultivation, and in 1884 the colony exported wheat and flour to the value of £1,775,000 sterling, the highest point ever touched. The prosperity of the farmer was reflected in trade, wholesale and retail. In the three years ending 30th June, 1886, over £6,000,000 sterling had been spent in railway construction out of loan money. There were no workers compulsorily unemployed. So great was the dearth of labour that many farmers under the pressure of the harvest season paid 15s. and three substantial meals per day for men to cut their crops. Indeed, during the first session of the Service Government over thirty petitions were presented to Parliament praying for a renewal of State-assisted immigration. But the various labour unions had spoken with no uncertain voice on this subject, and though the Legislative Council made some move towards helping the petitioners, they elicited no response in the Assembly. In many of the constituencies the seat depended so much upon the vote of the idealised working man that he had to be conciliated. And it was in strict keeping with his faith in protection to local industry that he should do all in his power to resist the advent of those outside wage-earners who sought to poach on his strictly guarded preserves. Despite the labour difficulties, however, there was widespread prosperity; enhanced spending power followed increasing wages. This meant increased imports, and expanding Customhouse receipts, so that the general revenue which for the year ending 30th June, 1883, had been £5,600,000, had risen in June, 1886, to £6,480,000. The credit of the colony in London soared to its highest range. The 4 per cent. debentures which Sir Bryan O'Loghlen had failed to sell at par in January, 1883, and for which he had finally to accept about £98 10s., were sold in November, 1885, just prior to Mr. Service's resignation, at £107, the maximum

price realised. And this notwithstanding the fact that another £4,000,000 loan had been floated in the interim, and Parliament had authorised still further heavy borrowings.

The strain of continuous and onerous work in politics, especially in that larger area which was now bringing the colony in touch with international issues, and the demands made upon him by the control of extensive mercantile operations, began to tell upon the health of Mr. Service, whose constitution was not of a robust order. He was only entering his sixty-third year, but his advisers insisted that rest was imperative. December, 1885, saw the close of Victoria's twelfth Parliament, and Mr. Service resolved not to offer himself for re-election. Several of his political comrades had passed away during his Premiership, including his intimate friend, Robert Stirling Anderson; his old colleague, J. G. Francis; and his one-time vigorous opponent, James McPherson Grant. At the opening of the through line to Sydney in June, 1883, Mr. Service had voiced his aspirations for a Federated Australia, and declared that he hoped not only to see a Dominion Parliament, but to be a candidate for a seat in it. Now that the Federal Council, the first practical step in that direction, was established, he laid down the insignia of office in Victoria to take part in its opening deliberations.

In the last days of December, immediately after the prorogation, rumours began to circulate that the coalition Ministry was about to undergo reconstruction. It was said that Messrs. Service and Berry, after representing Victoria at the Federal Council, which was to meet in Hobart in January, would bid farewell to politics, the former to find relaxation in European travel, the latter to assume the position of Agent-General in London at the recently enhanced emolument of £2,500 per annum. As Parliament had but just now separated without any direct announcement that the end was near, there were many expressions of incredulity, and some outcry against the abrupt termination of a Government that had triumphed over the sinister prophecies which heralded its birth, and had also without friction placed to its credit three years of useful legislative work. There were even louder murmurs of discontent when the transfer of Mr. G. B. Kerferd from the Attorney-Generalship to the Supreme Court bench was announced.

As it was not to fill a vacancy, but to increase the number of judges from five to six, there were plentiful charges of jobbery set afloat. There is no doubt that the legal profession, and their clients too, were in 1885 very insistent upon the necessity for an additional judge, and the press teemed with complaints of the seriously delayed business of the Courts. It was, however, from the Bar that the severest denunciations of the appointment came, and it was largely through this influence that the censure of a considerable section of the press was brought about. Objections were taken to Mr. Kerferd's slender legal knowledge, to the political jobbery which his elevation implied, and to the necessity for exploding the popular belief that the Attorney-General had a prescriptive right to any vacancy on the bench arising during his tenure of office. Sir William Stawell, it was true, had claimed and exercised that right without any objection, and his fitness had been universally acknowledged. But there had been holders of the office in late years whose promotion to the bench would have fairly startled the community, and it was sought by the Bar to show that no precedent was established. Mr. Service, in his valedictory speech at Castlemaine, vigorously defended the appointment, and commended highly the tried ability of his colleague, who, during twenty-one years of continuous Parliamentary life, had been Attorney-General in four administrations, extending over eight years. He concluded a warm tribute of praise by predicting for Mr. Kerferd a speedy recognition by the general public of his merits and fitness for the judicial position. The Bar showed its disapproval by refraining from the usual courtesies extended to new judges, and some of his colleagues on the bench were very coldly polite. But Mr. Kerferd's conduct in his new position was marked by so much painstaking patience and unfailing courtesy that many who had protested against his appointment admitted that they were agreeably disappointed. In fact Mr. Kerferd's sound common-sense, his industry in mastering evidence and his readiness to learn compensated for much, and if he added no brilliancy to the bench, he certainly brought no discredit on the deserved respect in which it had been held for many years. In his short career, for he lived only four years after his elevation, professional and public opinion had largely veered

round in his favour. When Mr. Service was roundly charged with perpetrating a job for the benefit of his friend, his answer was that if it was correctly described as a job, it was certainly perpetrated by both Houses of Parliament almost unanimously, for when the Bill appointing a sixth judge was under consideration, every member knew that the Attorney-General was the man intended, and on its duly passing he was warmly complimented in the Assembly, and the compliments evoked cheers from all sides.

During the Service Government there had been another change in Her Majesty's representative. In March, 1884, when the term of the Marquis of Normanby was drawing to a close, news reached Melbourne that the position had been offered to the Marquis of Lorne, the son-in-law of Queen Victoria, who had just relinquished the Governor-Generalship of Canada. His popularity there made the report very satisfactory to Victorians, but shortly afterwards it was announced that family reasons precluded him from accepting the offer. The appointment was subsequently conferred on Sir Henry Brougham Loch, G.C.M.G., who arrived in Melbourne on the 15th of July. He was a man with a fine breezy record of adventure, had served his country both in the navy and the army, as well as in the diplomatic service. He had been on active service in Turkey, in India and in China. In the latter country he fell into the hands of the enemy and suffered much cruel ill-usage, narrowly escaping with his life. After many stirring scenes he was rewarded with the peaceful position of the Governorship of the Isle of Man, which he held for nearly twenty years, and was then transferred to Victoria. He was certainly the most popular Governor the new Melbourne had known, and, ably assisted by Lady Loch, soon made Government House a genuine centre of social interest and hospitality. The "frigid parsimony" of the Marquis of Normanby had become somewhat of a by-word, and the widespread liberality with which the vice-regal couple opened their doors to purposes of philanthropy, education, or even simple social entertainment, placed them high in public estimation and friendly regard.

In the closing days of the Service-Berry coalition a cabled message from London was published in the Melbourne papers that

they would shortly receive the honour of knighthood. Though not officially confirmed, it gave rise to this singularly inaccurate forecast in one of the journals: "It is understood in political circles that Mr. Service might easily be prevailed upon to accept a mark of favour which would be not only a recognition of his many services as a statesman, but also of his special efforts to preserve the idea of Imperial Unity, and to promote the consolidation of Australia in a Federal Dominion. Mr. Berry, however, would feel compelled to decline the honour if offered to him, as he deems it inconsistent with the position of a politician leading a party which has always protested against the principle of bestowing titles as a reward for services, as tending to create a spurious aristocracy. With the fate of Sir James McCulloch in remembrance, and his own strong convictions on the subject, Mr. Berry would feel compelled to decline respectfully the honour *sought* to be conferred upon him." The blandishments of the real aristocracy, amongst whom his lot as Agent-General was cast, and an alluring acquaintance with the stately festivals of Court life, overcame those spartan principles he had so often proclaimed, and within a year of leaving his adopted country he had blossomed into Sir Graham Berry, K.C.M.G.

By a curious coincidence he left Melbourne in the same mail steamer with Sir James McCulloch, who was taking his final farewell of Victoria. If these two life-long political antagonists ever exchanged confidences as they paced the quarter-deck, it would be interesting to know whether Mr. Berry thought it desirable to recant the opinion he so deliberately expressed on more than one occasion, that to ensure any hope of prosperity "all merchants, bankers, squatters and landowners ought to be excluded from the Government of the country!" A declaration which was primarily aimed at Sir James McCulloch, and subsequently at Messrs. Service and Francis.

CHAPTER IX.

THE ERA OF EXTRAVAGANCE.

The retirement of Messrs. Service, Berry and Kerferd was followed by the resignation of the coalition Ministry, and Mr. Gillies was entrusted with the task of forming a new combination. On the 17th of February, 1886, he announced the names of the gentlemen who had accepted office, himself and Mr. Deakin being the only continuing members of the late Cabinet. Mr. Gillies, representing the constitutional or conservative party, assumed the onerous responsibility of Premier, Treasurer, Minister of Railways, and subsequently Minister of Mines. He secured for his Law Officers Mr. H. J. Wrixon as Attorney-General and Mr. Henry Cuthbert, in the Upper House, as Minister of Justice. Mr. James Lorimer, also in the Council, succeeded Colonel Sargood as Minister of Defence. Mr. Deakin, whom the Berry party looked to as their leader, became Chief Secretary and Minister of Water Supply. From his following he selected Professor Pearson for Minister of Education, Mr. J. L. Dow as Minister of Lands, and Mr. John Nimmo as Minister of Public Works. The Cabinet was completed by the inclusion of Mr. F. T. Derham as Postmaster-General and Mr. W. F. Walker at the Customs.

Five of the new Ministers, Lorimer, Walker, Derham, Nimmo and Dow, were new to office. The first-named three were representative mercantile men. Mr. Nimmo was a harmless trading politician who had been a surveyor. Mr. Dow was a journalist, with a wide experience in agricultural matters, long associated under the Service régime with Mr. Deakin in practical investigation into the methods of irrigation which might be applied to Victorian farming. On the whole, the Cabinet commanded public confidence: it was sufficiently strong in the Assembly to dishearten the Op-

position, and although Mr. Bent and Sir Bryan O'Loghlen made occasional feints of attack, they were soon fain to cease from troubling.

The period of the Gillies-Deakin Ministry covered a few important legislative measures, a season of exceptional social activity and jubilation, and culminated in disastrous strikes and labour troubles that threatened the stability of society. The Acts of Parliament passed during the four years 1886-90 which were really of importance to the progress of the colony were the Irrigation Act; a beneficial amendment of the laws relating to neglected children; an Act creating a Department of Public Health; and the Acts under which the Marine Board and the Melbourne and Metropolitan Board of Works were called into existence. Of these the most far-reaching in its anticipated effect upon the prosperity of the people was the Irrigation Act, and its numerous off-shoots of Water Supply Loan Acts. Although the Gillies Ministry carried it through Parliament, and brought it into operation in the beginning of 1887, it had been incubating since 1884. In that year Mr. Service had appointed a Commission to inquire into the best methods of helping the Victorian farmer to combat the too frequent droughts, which made his returns so irregular and disappointing. Mr. Deakin, who manifested an active interest in the subject, and who was Chairman of the Commission, was deputed to personally inspect the processes in vogue in Western America, where the climatic conditions and requirements had more relativity to the wants of Australia than had those of Italy or Egypt. His mission was a pronounced success, and in 1885 he submitted a report of his inquiries, which was able, exhaustive and most encouraging. The success which had ever attended irrigation in California and the adjoining States was, however, entirely due to private enterprise. The United States Government took no heed of the movement, and only some of the State Governments interfered so far as to frame local regulations to conserve existing riparian rights. Mr. Deakin was quick to recognise that a very opposite policy had prevailed in Victoria, and he believed that the great power which this indifference placed in the hands of private capitalists might lead to costly litigation and much discontent. He therefore re-

commended that the State should take the initiative; should exercise powers of control over all rivers and sources of water supply; should officially survey and declare the districts most suitable for irrigation; and, subject to evidence that a sufficient return would be received to pay interest on the cost, should undertake the construction of head works of a so-called "National" character in important districts. For the rest the Act provided that wherever the settlers chose to combine for the purpose, an Irrigation Trust could be formed, to which the Government would advance the money necessary for the works at 4½ per cent., the trust being empowered to levy such rates upon irrigated lands as would cover the interest, and provide a sinking fund of 1½ per cent. per annum.

The advantages to be derived from irrigation were not exaggerated, the principles upon which the Act was based were thoroughly sound, and yet it undeniably failed to produce the anticipated benefits. The success so manifest in America was due to the active supervision and keen management arising from personal interest in prospective gain. Municipal management, like Government control of the railways, was, to a large extent, a perfunctory business. The Victorian farmer, too long accustomed to look to a paternal Government for all benefits, with something of the spoiled child in his attitude, soon began to complain of the rates. He demurred to the fact that by making his land liable for irrigation assessments he was brought under an involuntary mortgage, and many raised frivolous objections to paying for water which they thought they could do without. One injudicious provision of the Act, which authorised the local trust to borrow temporarily from banks in addition to their debt to the Government, tended to precipitate the financial involvement of many of these bodies. But these things were hidden in the future, and the Act was welcomed as a measure that might reasonably be expected to double the producing power of the colony. And it promptly got to work. Within four years Water Supply Acts were passed granting loans of £1,032,000 to 132 Trusts, and authorising the expenditure of over £700,000 for "National" irrigation works. With that inordinate capacity for getting into debt which has been so prominent an

attribute of municipal and other public bodies in Australia, the application for loans poured in until it was evident that it would take over £5,000,000 to finance all the projected schemes. The official estimate of the cost of the "National" works alone, which it was suggested that the Government should undertake, was £3,200,000, and this included no provision for the Western Wimmera district, or the dry Mallee country to the north of it.

Many serious mistakes were made, both in engineering and in estimates of supply and demand. The proper principles of irrigation had to be learned by the farmer, and when he failed, through his own blundering, to reap the benefits he expected, he passed the blame on to some one else and resisted payment of his rates. The local trusts sympathised with their fellow-settlers, and refrained from putting on the pressure which a business company would have done. Hence in a few years a large number of the trusts were in default of the interest due to the Government, and the Government, having a vicarious form of compassion unknown to the ordinary landlord, also refrained from exercising its legal rights. In the end it had to make provision for some hundreds of thousands of pounds as bad debts, and with solemn admonition as to the future to give the defaulters a clear sheet and a fresh start. A large amount of good was undoubtedly effected, and, especially in the Goulburn Valley, a great impetus was given to production. But the cost was sometimes raised to an unprofitable point by the restless haste with which much of the work was planned and carried out. No one can read Mr. Deakin's report without realising the value of the information collected and the suggestions made; and had the development of irrigation proceeded on more tentative lines, gradually gaining the benefit of experience, the results to the colony would have been more valuable and far less costly. It is also important to bear in mind that while the huge expenditure indicated was assumed to directly enhance the value of the irrigated lands by at least £1 per acre, yet the area so benefited was not more than 3,200,000 acres. As this was only one-seventh of the land held by private owners in 1886, it follows, as a result of the financial breakdown, that the property of the irrigated farmer was increased in value by the involuntary contributions of people who had no share in the benefits.

Prior to the advent of the Gillies-Deakin Ministry, the annals of Victoria had to a large extent revolved round the doings of its Parliament. With the growth of population, which in March, 1886, reached the million, with increasing wealth and extended commerce, new factors of public interest asserted themselves, and the Parliament of the day, which was not strong in the initiative, began to be looked upon as a committee of delegates to carry out the wishes of the people. And the people, largely represented by prosperous labour organisations, were led to believe that at last they were entering into possession of that stage of well-being which they had been taught to expect as the sure result of managing their own affairs. Certainly appearances seemed to justify the general conclusion that a great future lay before this land of promise. When the Governor opened Parliament on the 1st of June, 1886, he had nothing but congratulations to offer. He rejoiced in the establishment of the Federal Council, and expressed a hope that before long the other Colonies would feel the influence of the national sentiment and join. The Defence Forces were said to be admirably organised, and the permanent defence works were being rapidly made effective. The extension of railways was progressing satisfactorily. Six months later, when he prorogued Parliament, he was not less optimistic, and wound up his speech by saying: "It will be a satisfaction to you to carry away to your homes the reflection that the country for whose laws and administration you have been caring, is in a state of great prosperity, with a steadily increasing income, with every prospect of an abundant harvest, and with indications that the mining industry, effectively promoted by you, is about to have a substantial revival". The anticipations indicated in the last clause were not fulfilled. There were influences at work which concentrated labour in the city, in tramway construction, wharves, docks and shipping, and on the numerous suburban and country railways being urgently pressed on with. Some of this labour was undoubtedly withdrawn from mining, for the diminishing returns which were apparent in 1885 continued on the down grade for nearly ten years. There was no improvement in production until 1895, when the financial troubles, recently experienced, had driven men out of the

overcrowded city to seek a more independent way of earning an honest living.

But the lines of the Gillies Ministry had fallen in pleasant places. Nothing facilitates Parliamentary working like a substantial budget surplus. Nothing casts a greater damper over an Opposition, or sheds more reflected lustre on a Treasurer, even though he may be ignorant of the real economic causes of his success, and be dependent upon a clerk in his department for the form of its presentation. When the budget speech of Mr. Gillies in July, 1886, showed a revenue of nearly £6,500,000, and declared a surplus of £329,000 for the year, citizens smilingly said that Service had a worthy successor at the Treasury, under whose able management much existing taxation might be reduced, or remitted. A year later the revenue had mounted to nearly £7,000,000, and again a surplus of £499,000 remained after the year's largely increased expenditure had been met. On the 24th of July, 1888, Mr. Gillies announced an almost incredible increase, the revenue reaching £8,236,000, and leaving a surplus of £839,000. Emboldened by such experience, the Treasurer ventured to estimate a revenue of £9,000,000 for the year ending 30th June, 1889. In this he was too sanguine, but it reached £8,675,000—the high-water mark of Victoria's income. Still more startling was the announcement by the Treasurer on 30th July, 1889, that the accumulated surplus on that date stood at £1,607,000 ; and that he estimated the revenue for 1889-90 at £10,608,000 and the expenditure at £10,523,000. These radiant forecasts were neither justified nor realised. They remain on the records of Parliament as typical of the visionary wealth which cast such a glamour not only over the Legislature, but which simultaneously irradiated the ideas of all sorts and conditions of men. The gigantic surplus itself took on much more humble dimensions within a month, when certain immediately accruing liabilities had been brought into the national ledger. Before the year was out, the whole newspaper press of the colony was propounding the question, "What has become of the surplus?" and the various replies elicited were the despair of the most accomplished accountants to unravel. The figures quoted above do not always accord with those of the Govern-

ment Statist, being complicated by recoups and other mysteries of official book-keeping, but they are those submitted by Mr. Gillies in the Assembly, where they were invariably greeted with cheers.

It might have been expected that these accumulating credit balances would cause an outcry for remission of taxation in some form. So far from that being the case, Mr. Gillies, after declaring his surplus of £500,000 in 1887, intimated that he proposed to raise an additional £50,000 by increasing the duties on sugar and timber. He said he had been persistently urged to help the woollen industry by increasing the protection of 25 per cent. which it then enjoyed, under which inadequate tariff he was assured the woollen mills were doomed to failure. He felt that he could not do this without a comprehensive revision of the whole tariff, which must be deferred until the next session. The representations of the timber trades had, however, been too much for him, and substantial duties were placed upon all forms of that necessary raw material which the hand of man had dressed. Doubling the duty on beet-sugar was gaily indicated by Mr. Gillies as in some sense a reprisal on the bonuses given by continental Governments, and an attempt to help the weaker side in the unequal fight between nations and individuals. It is true there was no sugar produced in Victoria, but the Premier, in a burst of generosity, alleged that the plantations in Queensland and Fiji were mainly financed by Victorian capitalists, whose enterprise deserved encouragement. Probably this is the only case in Victorian annals where Protection was decreed which had no bearing on local employment or wages, and yet undoubtedly enhanced the cost of one of the prime necessaries of the working man.

With the swelling revenue of those years came the ambition to live up to it, so the expenditure followed close upon its heels. It had been extravagant prior to 1886, and Mr. Service had lifted up his voice more than once against the growing incubus of the Civil Service. As far back as 1881, when leaving for England, he said: "There are upwards of 5,000 persons ministering to Government, and there are not more than 200,000 adult males, of the ages during which a man is capable of work, so that every forty of them are called upon to maintain one tax eater". The Coalition Govern-

ment made some stand against further increase, but when Mr. Gillies began year by year to display the growing surplus, economy was denounced as mean parsimony, and no man dared to raise his voice in warning lest he should be accused of wanting faith in the grand future which the lavish present seemed to promise. Both the revenue and the expenditure which Mr. Gillies dealt with in 1886 were the highest the colony had then known. From that starting-point the figures marched gaily onward until 1890, when the first check was experienced. Towards the end of 1889 an inquisitive member called for a return of the cost of the Civil Service. When it was laid before the Assembly it disclosed the fact that there were 31,247 persons in the public service, drawing salaries aggregating £3,452,857, and that one in every thirty-two of the entire population was in receipt of Government pay.

But the Civil Service, overgrown as it undoubtedly was, had not been the sole appropriator of the redundant revenue. Members fought for their own districts, and while Mr. Gillies dazzled the Assembly with his recurring surplus, he was impelled to promise £140,000 to increase the subsidies to municipalities; £150,000 to shires for wire-netting to help the farmer in his desperate contest with the rabbits; £250,000 to promote the agricultural and wine industries; and an indefinite sum to increase the vote for State school buildings. Of course, the ordinary expenditure of the country necessarily increased in some departments, notably in the railways, extending at the rate of 150 miles every year, and generally giving something like fair returns; in the Education Department, with an increasing population to provide for, and an increase in cost of public buildings. This latter outlay had long been on a scale absurdly extravagant for the handful of people who had to pay the bill. Buildings like the Parliament Houses, the Law Courts and the Governor's residence had been conceived on a scale which accepted the popular belief in Victoria's wealth and importance, and ignored the overshadowing effects of the approaching Federation. The Assembly had no man in those years of plenty to pose in the unpopular rôle which Joseph Hume assumed in the House of Commons. It found one later on, when the financial bubble had been pricked, who took the matter of retrenchment very firmly in hand;

but if he had lifted up his voice in the later eighties he would have been derided as a fanatic.

Parliament placed a high estimate on the value of the services of its individual members. It regarded the petty stipend fixed by the Act, and even the handsome salaries of Ministers and high officials, as an inadequate return. Innumerable Royal Commissions and Boards of Inquiry sprang into existence, carrying with them attendance fees, travelling expenses and other perquisites. In this generous appreciation of good services rendered, it voted £4,000 to the family of James McPherson Grant, who had served Ministerially under widely opposing banners; £2,500 to the representatives of J. H. McColl, a private member of no long standing; and £4,000 to Peter Lalor of Eureka fame, on his vacating the position of Speaker, broken in health and fortune. A proposal to put £1,000 on the estimates for the widow and family of Marcus Clarke, an Australian author of some reputation, was, however, rejected. An intimation by Mr. Gillies in November, 1887, that he intended to put £6,000 on the next year's estimates to recoup the Governor for the extra expense which would be entailed upon him during the Exhibition year elicited enthusiastic cheers.

After all, the generosity of Parliament was only a mild reflex of the prodigal expenditure which had been developed throughout the whole community. Large fortunes had been made by early Victorian investors in the Broken Hill silver mines, in the tin, copper and gold mines of Tasmania, and in the auriferous deserts of Western Australia. Still larger fortunes had grown out of Stock Exchange operations in a continually rising market, and out of bold speculations in city property and real estate. During the years 1887-88 the speculative fever had manifested itself in every stratum of society. The talk of the streets, the clubs, the trains, the luncheon-rooms and the dinner-tables centred round the rise or fall of stocks, the chances of subdivisional sales, or the wonderful luck that had followed the operations of divers well-known leaders in the arena of competitive finance. On the 20th of January, 1888, the day's operations on the Melbourne Stock Exchange exceeded £2,000,000 sterling, the great bulk of the transactions being in Broken Hill Mining Companies' shares. Grey-haired men, who had been known on

'Change for a whole generation as honourable and prosperous merchants, saw their junior clerks leaving them with the reputation of having made competencies in a few months by assuming risks at which their employers would have stood aghast.

The Jubilee of Queen Victoria's reign in June, 1887, was celebrated in Melbourne with an enthusiasm that was not excelled in any part of the Empire. The tide of financial prosperity was approaching high-water mark. Everybody had money to spend, from the traditionally wealthy squatter down to the well-paid artisan, and he spent it in a generous compliance with the scriptural mandate to take no heed for the morrow. The winter season of that year was made memorable to the rising generation by brilliant illuminations and imposing pageants; official and social entertainments crowded upon one another, and in the exuberance of newly acquired and apparently unlimited wealth, many new schemes of philanthropy were liberally started, and large sums were reported week by week as having been given, or promised, for Church work in several of the denominations. Unhappily, many of the intending donors had reckoned their wealth by a rule of thumb process that was not justified when strict principles of book-keeping were applied. Hence several of the churches came short of the noble contributions of which they had prematurely boasted. Some indeed had commenced new buildings upon the strength of promised contributions which were intercepted by unsympathetic officials of the Insolvent Court, and they had much cause to lament having listened to the voice of the charmer. They were not without excuse, for everybody believed in 1887 that he was making money, and on the high road to affluence. New companies were floated every week to give those who were too timid to speculate by themselves an opportunity of sharing in the profitable speculations of the directors and managers whom they called into existence. There was no corner in the wide domain of finance that was not occupied by some of these companies. They directly invaded the provinces of the bank and the building society, and the keen competition of their methods made it almost impossible for the established banks and building societies to adhere to their legitimate functions without losing both the custom and the confidence of their clients. They

assumed the most multifarious combinations, from the genuine land mortgage bank to the speculative share investment trust; from straight out pawnbroking to the guaranteeing of shaky mercantile credit. The details of these fungoid growths on national credit and the grievous part they played in the impending collapse of that credit belong to the next chapter. They were material factors in the growth of extravagant expenditure by enabling men of the smallest means to buy a few shares and participate in large dividends, which were too often the produce of specious book entries and not legitimate earnings.

The profuse expenditure, anticipatory as it often was of unrealised profits, was beneficial to the artisan class, and the activity of the building trade enabled the working man to accumulate savings, and put them also into the cauldron of speculative activity. The modest villa that gave picturesqueness to the suburbs and had satisfied the aspirations of the prosperous tradesman could not content the men who had suddenly vaulted into wealth. Mansions were erected in the more aristocratic districts, costing from £20,000 to £30,000, and ballrooms and picture galleries were added to existing structures to bring them up to the supposed requirements of the day. Several professional artistic decorators, who came out from England in the eighties, found their talents in urgent demand and reaped a rich harvest. An immense sum was spent during that decade on the internal embellishment of splendid mansions, many of which passed in a few years into the hands of mortgagees for less than half their cost, and were unsaleable at that. Liveried indoor servants, hitherto almost unknown beyond the portals of Government House, were soon common enough to be taken for granted. Entertainments were devised on a costly scale, armorial bearings were discovered and displayed, and men whose market value had been but a few years before appraised at a salary of £250 per annum considered it necessary to have a retinue and a stable which many a landed aristocrat in England would have found difficulty in supporting. In a country where all men were workers, and where there was practically no wealthy leisured class, this servile copying of an older social system was prejudicial to the manly independence and healthy simplicity associated with the

idea of colonial life. This carnival of extravagance and luxurious living, which reached its maximum during the four years coincident with the period of the Gillies Ministry, gave a considerable but wholly artificial stimulus to trade. Combined with the large expenditure connected with the Centennial International Exhibition and the numerous visitors it brought to the colony, it led experienced and even pessimistic persons to take a more roseate view of the apparent prosperity than it deserved.

And that really splendid Exhibition, conceived in a broadly generous intercolonial spirit, intended to celebrate for all Australia the foundation of this outpost of the British Crown, was certainly stimulated by the general belief in the prevalent prosperity. The progress of Australia and the rapidity of its development had during the preceding year or two been the frequent theme of English journalists and magazine articles. The remarkably fine display made by the Colonies at the Colonial and Indian Exhibition in London in 1886 had awakened interest in a remote corner of the Empire that had hitherto attracted little attention outside official circles, or those persons who had friends and relatives in the southern lands. To the British public generally, thirty years ago, Australia was a vague abstraction, and though Australian cricketers might arouse a lively interest, Australian politics and aspirations were an unknown quantity. In the critical times of the Darling Grant or the Berry Embassy the English papers scarcely vouchsafed space for a few paragraphs to throw light on what appeared to the busy Londoners to be an unseemly squabble. When on one or two occasions a leading article dealt with Victorian affairs, it generally took a semi-paternal admonitory tone that the impetuous Melbournites declared to be irritatingly arrogant. But after the Exhibition of 1886 English journalists devoted far more of their space to Australian affairs and generally adopted a very friendly and appreciative tone.

The Melbourne Exhibition of 1880 had not been without stimulating effect upon the Australian-born population, and when it was proposed to repeat that exciting episode on a scale of greatly increased splendour the whole community signified its delighted acquiescence. Taking advantage of the prominence given to

Australian affairs in London, a strong committee was appointed there, with the Prince of Wales as president, a sprinkling of British noblemen, and Sir Graham Berry, the Agent-General. Circulars went forth to all the Governments of the civilised world, and the response was very general, several of them sending out special commissioners to supervise their courts. To the untravelled Australian it seemed as if the eyes of the world were turned upon him, and he cheerfully anticipated making a display that would place Victoria high in the estimation of all mankind. With this enthusiasm behind them, the Government allowed no question of cost to interfere with success. And indeed, though it could not rival Paris or Chicago, it ranked very high in the list of International Exhibitions, and was undoubtedly the most brilliant that had ever been seen south of the Line. The exhibits in all departments were valuable and representative, those pertaining to furnishing and the decorative arts being quite a revelation to the rank and file of the visitors. No doubt they served to inflame the extravagant ideas of the newly enriched, and awakened a spirit of discontent in many comfortably appointed homes. The craze of æstheticism, moribund in the old world, was awakened in the colony and took form in the establishment of a Kalizoic society. Electric lighting, then in its youth, was seen for the first time by tens of thousands from the country districts. The industrial arts in every aspect were represented, and machinery of the highest perfection revealed the wonders of modern invention to the intelligent artisan. Orchestral and choral performances of a class never before heard in Melbourne were given by instrumentalists of European reputation, and by a trained chorus of 800 voices under the direction of a most eminent conductor specially brought from England for the purpose. In this item alone an immense impetus was given to the artistic side of Melbourne life, by an experience which has left its impression to this day. In another branch of art the public taste was also elevated by the exhibition of some 2,000 paintings, valued for insurance purposes at £300,000. The most important of these were sent from Great Britain on loan, while France, Germany, Belgium and other countries chiefly contributed modern pictures which were for sale.

It was fitting that so important a collection of the world's best work should have an imposing inauguration, and the opening ceremony was conducted with befitting pomp and circumstance. Six Australian Governors, with their families and official suites, took part in the formal procession. All the Colonies were represented by their leading men, Cabinet Ministers, Judges, Parliamentary Speakers and Presidents, and the Military Commandants. The Admiral of the Station, supported by his officers and a large detachment of bluejackets, offered a pleasing contrast to the prevalent scarlet uniforms. The gathering included a fine body of naval officers from the foreign warships in the bay; a group of distinguished foreign commissioners with unfamiliar orders on their coats; and a blaze of gold lace and mysterious uniforms disguised the Consular body, numbering over a score. There was one absentee from the procession which made the judicious grieve. The Chief Justices of New South Wales, South Australia and Tasmania walked without their brother of the Supreme Court of Victoria. Mr. Higinbotham conceived that his office commanded precedence next to the Lieutenant-Governor. The newly elected Speaker of the Assembly claimed to be, as in England, the first commoner, and to be in front. The Chief Justice, declining to accept this reading of the code of preference, stayed away. Those who knew the man realised that it was no question of personal pique, but only an exaggerated sense of the importance attached to detail lest precedent be created. But there were plenty of people, and some journals, ready to condemn what they were pleased to describe as an exhibition of bad temper.

The Exhibition remained open for six months, and was formally closed by Sir Henry Loch on the 31st of January, 1889. The attendance, or, more correctly, the admissions to the building, numbered very nearly 2,000,000, running up on public holidays to as high as 40,000 in one day. For the control of this vast concourse a force of 100 policemen was told off, and nothing could speak more highly for the sobriety and the orderly character of an Australian crowd than the fact that during the whole six months only eight persons were arrested for drunkenness. The manner in which the expenditure on this great industrial fair mounted up beyond all anticipation

is very typical of the time. When the Treasurer submitted to Parliament a preliminary application for £1,000 to initiate the movement, it was stated that the Chief Secretary had caused careful estimates to be made of the total cost, which it was believed would not exceed £25,000. This was based upon the assumption that the practice in previous exhibitions of charging exhibitors a rent for space and the cost of motive power supplied would be followed. As all the world had been invited to contribute, the Government thought these charges looked pettifogging, so rentals were not demanded, and motive power was supplied gratuitously. Then the applications for space were quite double what had been looked for, and the erection of extensive annexes was necessary. These, with the necessary alterations, decorations and fittings in the main building cost £170,000. The provision of the excellent musical entertainments involved an outlay of over £30,000. An army of officials, attendants, servants, and hangers-on had to be provided for, and the total disbursements of the Commission touched £400,000. These figures were, however, reduced by £110,000 taken for admissions and £41,000 by the sale of old material, and the Treasurer had to find £253,000 to close the account; of this, he generously assumed that £15,000 had been added to the value of the permanent building by improvements, and that £238,000 was the net cost of the memorable display of the year 1888. It is not surprising that the precise Chief Justice Higinbotham took early alarm at the briskness of the financial pace, and in despair of arresting it renounced his responsibilities. He had been appointed with universal approbation the President of the Exhibition Commission, and he brought to bear on the duties of that position all the detailed accuracy and scrupulous exactness which he would have required in the Supreme Court. He realised that a large body, acting chiefly through committees, would probably outrun their powers and their finances unless supervision was concentrated in some centre, and he required that all committees should submit their actions for confirmation to meetings presided over by himself. Unless the Executive had been prepared to devote all their time to the affairs of the Exhibition the proposal was impracticable. With one exception all the members were men who had business or professional duties to

attend to, and they were restive under the assumed sacrifice of their time. They made it so manifest that they did not intend to refer everything to the President, and also that they would far exceed the financial provision made, that Mr. Higinbotham felt constrained to tender his resignation. The President of the Legislative Council, Sir James Macbain, who succeeded him, took a less onerous view of his responsibilities, and as he allowed the committees all the latitude they wanted, the financial result was much what Mr. Higinbotham had predicted. Neither his predictions nor his protests would probably have materially affected the result, but if he had not retired there would have been an administrative breakdown or a *coup d'état* in the form of a mutiny. From which may be deduced the moral that the working methods of the Law Courts and those of practical business men are irreconcilable. But probably no one would have been listened to who preached economy while wealth appeared to be so widely distributed. Indeed, it is somewhat surprising that in their final report the Commissioners appear to adopt an apologetic tone in saying that although the cost had been much larger than anticipated, yet the greater part of it was expended in wages to artisans and labourers within the colony. Further, they alleged that the outlay by visitors, and by foreign and colonial exhibitors in connection with their courts, was very far in excess of that which the Government was called upon to meet.

An important political episode of the Gillies Ministry was the despatch of Messrs. Deakin and Lorimer to London, where, in conjunction with Mr. Service and Sir Graham Berry, they represented Victoria in the Imperial Conference which was held in April, 1887. It was a recognition by the British Government of the great commercial and political importance which the Colonies had attained in the estimation of the mother-country. It was not, as some suspicious editors averred, an attempt to entrap the various self-governing communities into a cut-and-dried scheme of Imperial Federation, but a friendly invitation to them to send representatives to discuss matters of equal interest to all. Prominent amongst them were the terms upon which the naval defence of the Colonies could be best provided; the storage of coal and defence of coaling stations; uniform postal and cable charges; execution of legal judgments

throughout the Empire; making the securities of colonial Governments available for the investment of trust funds; uniformity in the laws relating to bankruptcy, patents and marriage; and provision for taking the census on the same day throughout all British possessions.

There were men besides Chief Justice Higinbotham who regarded with suspicion any overtures from Downing Street as tending to centralise administration, and the comparatively insignificant results of this important conference were no doubt largely due to the jealous manner in which the powers of the delegates were restricted. Brilliant as were the speeches, and dignified as was the discussion, it was purely consultative, though it certainly initiated some beneficial results. It gave a certain tone of importance to all the Colonies to be consulted in the affairs of the Empire, which had hitherto been so self-contained; and it roused some national sentiment even in the Victorian-born subjects of the Queen, accustomed at all times to regard their own status with a superior complacency.

Although Mr. Higinbotham had been on the bench for six years before the resignation of Sir Wm. Stawell elevated him to the position of Chief Justice, his abstention from active politics had not diminished the deep interest he took in public affairs, or dulled the vigour with which he was always ready to champion prescriptive rights. He declined the honour of knighthood, generally associated with the position he occupied, and more than once he gave the Ministry some experience of the difficulty of running such a man in the ordinary official grooves. Early in 1889 Sir Henry Loch desired leave of absence to visit England, and it became necessary to appoint an Acting Governor. Sir Wm. Stawell had held the commission of Lieutenant-Governor during his Chief Justiceship. Before gazetting Mr. Higinbotham to that position, he was sounded as to his willingness to communicate with the Colonial Office on matters of domestic policy on the lines hitherto observed. He declined to do so, upon grounds that were subsequently disclosed by the publication of a voluminous despatch he had addressed to the Colonial Secretary in February, 1887. In this very important document he reviewed at great length the character of the instruc-

tions issued to Governors of Colonies possessing representative institutions, and condemned them as showing a contemptuous disrespect and want of consideration by the Colonial Office towards both Australian Parliaments and Imperial officers. The home authorities could not submit to such a rebuff, though subsequent modifications of the Governor's instructions proved that the arguments of the Chief Justice had weight in the British Cabinet, and that they had received favourable consideration, notwithstanding their aggressive tone. Meanwhile, to avoid the difficulty of having a recalcitrant Acting Governor, Sir William Robinson, whose term as Governor of South Australia was just expiring, was appointed to take charge during Sir Henry Loch's absence, and public discussion was averted.

Towards the end of 1887 Mr. Peter Lalor was constrained by failing health to resign the Speakership. He was suffering from an incurable malady, and had on several occasions been compelled to vacate the chair in paroxysms of pain. Despite strong prejudice at the outset against his fitness for the post, he had by careful study of Parliamentary law and practice acquitted himself most creditably, ruling the debates with imperious firmness and admitted impartiality. There were three candidates for the position, Mr. M. H. Davies, Mr. Thomas Bent and Mr. Thomas Cooper. The contest caused much feeling and excitement, but the choice of the House fell on Mr. Davies by thirty-eight votes to thirty-seven. He was a young solicitor, who had held a seat in the Gillies Ministry without office. He had the reputation of being very wealthy, was prominently connected with a large number of financial companies, was exceedingly liberal in social and official entertaining, and had, a few months previously, given £10,000 to the public charities in recognition of Queen Victoria's Jubilee. A knighthood, which had been refused by his democratic predecessor, was conferred upon him a few years later in respect of his honourable office.

A recrudescence of the anti-Chinese feeling took place in 1888, though it is difficult to discover any reason for the zeal with which it was worked up in Victoria. There had been no increase in the Chinese population; indeed, as already shown, it had been

annually declining for a quarter of a century. Sir Henry Parkes initiated the movement in Sydney, and in June he invited Messrs. Gillies and Deakin to discuss with him there some plan of uniform restricted legislation. During the month of April there arrived in Sydney three or four steamers from China, with over 300 passengers. They were liable to poll tax and other deterrents, but the working men of Sydney took alarm at this unusual number, and believed that it was only an advance contingent of a big invasion of the labour market. On the 4th of May a mass meeting of over 5,000 men, headed by the Mayor, invaded Parliament House, and with considerable turmoil insisted that the Chinese should not be allowed to land under any conditions. Sir Henry Parkes was fain to promise compliance with this demand, and a Bill was hurried through Parliament to validate the illegality of their anticipatory exclusion. In his autobiography Sir Henry devotes over twenty pages to vindicating his action in this matter, his contention being that he was not, as commonly supposed, acting under mob intimidation, but from the noblest dictates of a patriotic conscience, and a stern determination to preserve the purity of society in New South Wales.

The Chinese Ambassador in London had sought the intervention of the Marquis of Salisbury, in his position as Minister of Foreign Affairs, and that statesman had called for information from Sydney, with a view to diplomatic action which should stop any further Chinese emigration to Australia. But the people in Australia declined to wait while they could act on their own initiative, and with characteristic ignorance they scoffed at the idea of negotiating with a heathen Emperor. Sir Henry Parkes was greatly annoyed that the Chinese Ambassador should imagine that by calling the attention of Lord Salisbury to what the Australians were doing, he foolishly implied that he regarded them as "school children who can be called to account by the Prime Minister of England". Impertinent as such an inference was felt to be in Sydney, there were other factors of annoyance. It was decided that if Lord Salisbury had the interest of the Colonies really at heart, he would promptly drop everything else in hand, and proceed to let the Emperor of China know what Australia demanded. Instead of this he proposed to proceed in the old-world fashion of tedious

diplomacy, which ill accorded with the demands of the wharf orators and labour agitators who had taken the matter in hand. Probably they had been stirred into action by the Government example of illegality, for during May there were many cases of brutal assaults on resident Chinamen. One of their mining camps was destroyed by fire, and in Brisbane a crowd of 200 roughs invaded the Chinese quarter, wrecked nearly every store and dwelling-place, and severely maltreated the inhabitants before the police could gather force to protect them. The restrictive law which Sir Henry Parkes succeeded in carrying contained all the old clauses relating to poll tax, limitation of passengers by one ship, and all the penalties. The new clauses provided a defined area within the cities of Sydney and Newcastle, or such other places as the Governor might appoint, where, after the passing of the Act, all Chinamen admitted under the poll-tax conditions could alone be permitted to reside. They were prohibited from travelling in the interior without a special passport, and they were forbidden to engage in mining operations. After having taken the matter out of the hands of the British Cabinet, upon the plea of urgency, and having made it appear to China that the British Minister for Foreign Affairs was unable to enforce observance of his own treaties, Sir Henry Parkes sought to bring the other Colonies into line, with a view to eventualities. A conference was held on 12th June, Mr. Gillies and Mr. Deakin representing Victoria. It passed resolutions that the restriction of Chinese immigration could best be secured by Imperial diplomatic action. When the British Minister pointed out that the high-handed action already taken in Sydney was a barrier to successful negotiation, the explanation offered was that it had been necessary to act precipitately to protect the colonist "from an invasion which is dreaded because of its results, not only upon the labour market, but upon the social and moral condition of the people". At this time it should be noted there were only 35,000 Chinese in the whole of Australia, of whom 8,500 were in Victoria, and about 12,000 in the sparsely inhabited district of the Northern Territory and Queensland. Surely this was a small measure of leaven to sap the morals of 3,250,000 of presumably intelligent people. The conference concluded its deliberations by assuring the British Government that

the treatment of Chinese in Australia had invariably been humane and considerate. This was going rather too far, and the statement was vigorously condemned as misleading by some independent members of Parliament, and by a portion of the press that could afford to be outspoken. The rioting and violence in the other Colonies was not without its effect in Victoria, and under the auspices of the Trades Hall Council large meetings were held to support exclusion in the Melbourne Town Hall and at Ballaarat. But there was happily no repetition of the associated outrages which had disgraced New South Wales and Queensland. It was at the time of this excitement that the case of Ah Toy *v.* Musgrove came before the Victorian Courts. The complainant was a Chinese passenger from Hong Kong, who assumed that he had been illegally debarred from landing in Melbourne by the defendant, who was Collector of Customs administering the Immigration Act. In the Supreme Court of Victoria the Chinaman gained his case, four out of the six judges being in his favour, Chief Justice Higinbotham and Judge Kerferd dissenting. With commendable moderation, which Sir Henry Parkes probably despised, the Victorian Government instead of defying the law decided to appeal to the Privy Council. Mr. H. J. Wrixon, the Attorney-General, was deputed to go to London to state the case before that imposing tribunal. The constitutional question of the right of Australian Governments to exclude foreigners arriving from a country with which Great Britain had reciprocal treaty obligations was left untouched. The Privy Council decided, greatly to the satisfaction of Mr. Higinbotham, that the Colonies had the right to make any regulations they chose for the admission of aliens, and that in this case those regulations had been contravened. They therefore reversed the decision of the Supreme Court. No appreciable benefit arose from the agitation. It involved the expenditure of a large sum of money, and elicited the expression of much intolerant ill-feeling, but the number of Chinese in Victoria continued as heretofore to decrease, until by the end of the century it stood at 6,160 immigrants and a few half-castes.

An amendment of the Electoral Act in December, 1888, increased the number of members of the Assembly to ninety-five, and of the Council to forty-eight. It cannot be said that there

were any arguments brought forward in the long discussion of this matter that justified the change. It increased the cost of the Parliamentary machine, which, with the salaries of Ministers, members and the official staff soon ran up to £50,000 a year. Large as this tax was, it was more than doubled by some £60,000 a year paid to the Government printer for embalming the oratory of Parliament in the corruscating pages of *Hansard*. Within another decade the whole community revolted against the waste of time and money involved in such an unworkable Legislature, and demanded its reduction by one-half. It was pointed out that if representation in the House of Commons was on the same basis, it would have 3,000 members instead of 670, and its cost, assuming the equivalent of Victoria's payments, would exceed £1,000,000 sterling yearly.

Early in 1888 Sir Bryan O'Loghlen got back into the Assembly on the decease of the member for Belfast, who had ousted him. Mr. James Service, who had just returned from England, was elected to the Legislative Council in May of this year, as representative of the Melbourne province. Strong efforts were made to induce him to re-enter the Assembly, where it was felt that his sound views of finance were very urgently required. But his medical adviser and his personal friends were averse to his undertaking the strenuous duties which that position involved to a man of his temperament.

Sir Henry Loch was fortunate in the period of his Governorship, inasmuch as political peace prevailed, an apparent general prosperity gave cheerfulness to all his surroundings, and brilliancy to his many social functions. During his recent visit to London, he had been pressed to accept the position of Governor of Cape Colony and High Commissioner for South Africa, the Colonial Department having doubtless descried portents of approaching trouble there that would necessitate the presence of a man of resolution and experience. Probably his career in that position was redolent of much difficult negotiation and many anxieties, which under a loyal sense of duty he regretfully accepted. He left behind him in Victoria nothing but pleasant memories, and carried with him the esteem of all with whom he had been associated. His successor

was the Earl of Hopetoun, the youngest of Victoria's Governors, for he was only twenty-nine when he landed in Melbourne on the 28th of November, 1889. It is no exaggeration to say that he endeared himself to the people from the outset by his unaffected simplicity, his hearty support of all social public movements, his generosity, and his manly love of the hunting field and all healthy outdoor sports. The liberality with which he entertained trenched largely upon his private fortune, and he maintained the dignity of the Queen's representative in a style that had not hitherto been possible to the holders of the office. He visited every part of the colony, and made himself acquainted with its resources and its development. He was known amongst the struggling settlers in the dry Mallee borders as well as to the freehold pasturalists of the fertile West, and wherever he went his unstudied geniality and kindly interest left an impression of the most favourable character. He touched Victorian shores just on the eve of great trials in store for the community, and though nothing occurred to involve him in any difficulty with the Colonial Office, he was a pained spectator of many troublous events, political, social and commercial.

The year 1890 was an unhappy one for the Gillies Ministry. It had one success, when in April it floated in London a loan of £4,000,000 at 3½ per cent. on very favourable terms. It realised an average of £101 10s., and applications were received for more than £13,000,000. This high estimate of Australian credit by the British investor rather tended to accentuate the existing extravagance, and was responsible for the reckless proposals of railway extension which eventually wrecked the Ministry, and materially impaired that credit. On the 2nd of May Parliament was opened by Lord Hopetoun, and within a fortnight two motions of want of confidence were launched against the Ministry, both of which were defeated. The dramatic surprise of the session was the introduction by Mr. Gillies on 17th June of a Railway Bill for the construction of forty-three country and ten suburban lines, of a total length of 713 miles, roughly estimated to cost about £8,000,000. This was in addition to fifty-four country and seven suburban lines already approved by the Minister of Railways, and estimated to cost about £6,000,000 more. And beyond all these there were 2,950 miles of new lines proposed

by private members, for which the Railway Department had prepared estimates totalling over £26,000,000. On the 9th of October an Act was passed appointing a Parliamentary Standing Committee on railway works, consisting of eight members of the Assembly and five of the Council, to examine and report upon all lines proposed. To this body, of which Mr. Bent was elected chairman, the House referred the consideration of schemes already submitted to it, covering 4,630 miles of new lines, the estimated cost of which, without stations or rolling stock, exceeded £41,000,000! Members had got used to big figures by this time, but here was something to give them pause. Mr. Munro seized the opportunity, and when a few weeks later the budget statement was submitted he again proposed a vote of want of confidence, and again failed to find acceptance for it. The revenue for the year ending 30th June was £8,519,000, but the expenditure reached the record figures of £9,645,000, and led to a general demand for present explanation and future restriction. Yet the prodigal generosity of the people's representatives was manifested in the Assembly by hurriedly voting an increase of sixpence per day to the labourers on the Victorian railways, thereby adding £30,000 a year to the railway deficit. And this was done three weeks before Mr. Gillies submitted his annual statement of ways and means. Notwithstanding the outcry Mr. Gillies calmly announced his estimates for the coming year of a revenue of £9,718,000 and an expenditure of £9,650,000. So far from these anticipations being realised, the revenue had by the 31st of December fallen short by over £200,000 of that realised in the corresponding six months of 1889. The fact is that a system of book-keeping prevailed at the Treasury which would not have been tolerated for an hour in any commercial enterprise. By mixing up the finances of the railways, properly a pure business concern, with the general revenue and expenditure of the colony; by leaving £2,250,000 sterling of trust funds floating about, whence the Treasurer could freely borrow to make payments which he desired to carry over to the next financial year; by the too general use of the recoup system under which public works were authorised to be paid for out of future loans—sometimes even out of unrealised profits from prospective sales of Government property; and by a singularly vague and

incomplete statement of loan expenditure, the true position of the finances was rarely understood either by Parliament, the public or the press. The state of those finances was vigorously discussed in the daily papers about the beginning of the year, and Mr. Service, Mr. Murray Smith and Mr. Langton pointed out the defective nature of the information given and suggested desirable reform. But the subject was *caviare to the general*, and their laudable efforts awakened little support. To realise the extent of the ignorance on this subject, it is only necessary to read the debate in the Assembly on the Gillies budget in August, 1890. It covers more than 120 columns of *Hansard* filled with the riotous use of undigested figures, contradictory deductions from the same premises, and the most opposite opinions as to what really had been done, or was going to be done. It is possible that in some cases the taxpayer, nurtured in the belief of general prosperity, was not particularly anxious to know the real position. Certainly some Ministers were often undesirous of obtruding it, and a happy-go-lucky impression that it would come out all right in the end sufficed for the rank and file of the House.

Apart from the question of finance there was growing up in the Assembly a party antagonistic to Mr. Gillies. It was not an opposition upon organised party lines, for there was really no distinct political question dividing the House. It was largely a vague impression that he had held office long enough and that a change would be beneficial. He had perhaps become a little imperious; for all that, he was acknowledged to be a fair and courteous debater, yet the continued nagging at his administration probably affected his natural suavity. The recognised opposition was led by Mr. James Munro, an energetic and somewhat voluble Scotchman, who upon the strength of having successfully managed the largest building society in Melbourne, having started two or three financial institutions, and having just returned from England whence he had attracted a considerable supply of British capital for his companies, posed as an expert critic of the Treasurer's financial proposals, and somewhat harassed his official career. Mr. Munro lost no opportunity of letting it be known that his sympathies were with the working man, and he had his reward by being able to secure their vote when he wanted it. Mr. Gillies was believed to have leanings

towards merchants and capitalists, and he had boldly refused to start Government relief works for the unemployed, in the face of his supposed overflowing exchequer. On the 3rd of August a couple of hundred of the unemployed organised a demonstration at the Melbourne Wharf, and proceeded to burn the Premier in effigy, when a squad of police rescued the inanimate counterfeit and dispersed the mob.

The want of employment in the winter of 1890 was largely due to conditions more particularly dealt with in the next chapter. Owing to numerous insolvencies of speculative builders, a cessation of work in the trades connected therewith had thrown many hundreds of mechanics idle. The construction of the tramways, which had employed a very large body of men for some years, had recently been completed, and several projected suburban railway works had been deferred owing to hostility in Parliament. The fact of scarcity of employment had, however, nothing to do with the initiation of the great maritime strike which brought desolation into so many homes in August, September and October, 1890. It was not initiated to escape from hard, grinding poverty, such as had driven the half-starved labourers in the London Docks into fierce revolt the year before. On the contrary, the men who struck work on this occasion were, as a rule, well paid, well treated and prosperous. Large numbers of them were depositors in savings banks, shareholders in building societies, freeholders of their own residences or other properties. By legitimate combination in trade unions, they had rightly won many privileges not yet attained by their equals in Great Britain or America. Eight hours as a day's labour was practically the law of the land, and from 8s. to 15s. a day, according to the character of the work, was a recognised wage, which any competent man could command. Indeed, during the Exhibition year, when two masters were running after one man, those figures were often largely exceeded.

The labour party, though it had in Mr. Trenwith its only representative in Parliament, was an important element in social politics. The wide influence of the various trade unions, and the organisation which concentrated their power in the Melbourne Trades Hall Council, was a factor which every politician had to seriously con-

sider. Many of the Unions were strong financially, most of them were making progress in that direction, all were animated by a distinctly marked sense of loyalty to their own class. A man named Spence, with a special faculty for organisation, had consolidated the bulk of the workers in the mining industry into an Amalgamated Miners' Association, a vast trade union embracing a huge number of members. His success inspired him with the desire to do something of the same kind for the nomadic hordes of shearers who travel the country from Carpentaria to Mount Gambier during the season when the wool clip is ripe for reaping. Their occupation is necessarily intermittent; the labour while it lasts is severe, but the pay is good, an expert man commonly earning over £1 per day. By degrees Mr. Spence succeeded in unifying the interests of this widespread body of workers and established the Amalgamated Shearers' Union. When more than half the shearers were in association, they began to see what great power they could wield if the Union could be made universal. Wool must be shorn at certain seasons, varying somewhat according to locality. A week or two of undue delay may greatly deteriorate a clip by the introduction of grass seed into the fleece. Practically the squatter would be at the mercy of the united shearers and have to submit to their terms, for he could not delay operations while he sought other labour from Sydney. The shearers were, as a rule, freehanded boisterous men, whose mode of life tended to an undisciplined independence, and they had not much faith in persuasive measures. Therefore, they were not slow to assume that they could compel all following their craft to come into the Union and have the country at their mercy. This was the beginning of the organised campaign against non-union labour. The struggle was protracted and bitter, disgraced by intimidation, violence, bloodshed, the burning of wool-sheds and other wanton destruction of property. The Union being well organised and well in funds, set itself to prevent the employment of non-union shearers by refusing to work alongside of them; by refusing to work for any squatter who employed them; by forcing the Carriers' Union to refuse the transport of wool so shorn to market; and eventually by constraining the wharf labourers in Sydney to refuse to handle for shipments any wool not shorn by union

labour. The history of this part of the movement scarcely touches Victoria, but it turned New South Wales and Queensland into a field of guerilla warfare for two shearing seasons, and it so cowed the squatters that a large number of them succumbed to the demands of the unionists and refused employment to free labour in any form. The successes were much paraded, the solidarity of labour was acclaimed as a noble addition to the list of virtues, and in labour circles a belief rapidly grew, that if only the Unions were loyal to each other, they could soon transform the employer into the suppliant, and themselves into the arbiters of his destiny.

In July, 1890, an incident occurred in Melbourne which kindled the strike into local activity, but before the movement was well started, one of the labour leaders incautiously admitted that they had been preparing for a fight for the last two years by perfecting their organisation and accumulating funds. The captain of a coasting steamer called the *Corinna* had occasion in the course of business to discharge a fireman named Magan. It chanced that he was a delegate of the Seamen's Union, and that body complained to the shipowners that the man had been the victim of persecution by the chief steward, whose immediate dismissal they demanded. This was refused, but the Cooks and Stewards' Union took up the matter on their own account, held a formal inquiry and decided that the allegation against the chief steward was not sustained. The Seamen's Union then returned to the charge, with a peremptory demand for the reinstatement of Magan within twenty-four hours, failing which the entire crew of the steamer would be called out. Protests from the ship's agents led to some delay, but in a few weeks the crew of the *Corinna*, acting under orders, gave notice, were paid off, and the vessel laid up. The Melbourne branch of the Seamen's Union then passed a resolution, that no crew should be shipped for any vessel which the master of the *Corinna* might command. By the 18th of August the excitement connected with this episode was thrown into the shade by a general strike of the Marine Officers' Association. It had been brought about by the ordinary causes which led to strikes—a desire to secure better pay and shorter hours of labour. Noting the success which association had secured for many labour unions, the marine

officers sought to strengthen their position by affiliation with the Trades Hall Council. In view of the average earnings of those connected with their calling, they certainly had reasonable grounds for asking for more pay, and in ordinary conditions would doubtless have secured it. But employers, alarmed by the action of the Seamen's Union in the *Corinna* case, decided that before granting it they must make conditions for their own safety. They pointed out, fairly enough, that it would be impossible to maintain the discipline essential to the safety of life and property if marine officers, placed as they were as the representatives of the owners, were allied by union with the men serving under them. The employers admitted that some revision of pay was called for, and would be favourably entertained, but while they ran the risk of officers and men combining against them, they could not consider these demands with any sense of security. They therefore required as a preliminary the withdrawal of the former from the labour organisation to which the men under them belonged. The marine officers professed to see no impropriety in the connection, firmly refused to withdraw, and on the 16th of August practically all the members of that association came out, having given twenty-four hours' notice. There were scores of candidates for their vacated places, but in the instances where they were accepted seamen refused to work under what they opprobriously termed "blacklegs," and a block was soon reached. There was nothing for it, without undue risk of life and limb, but to suspend operations. On the 18th of August there were no less than twenty-three steamers lying idle in the Yarra, with the crews paid off, and the strike fairly begun.

The struggle was no longer in any way connected with the question of wages. In the case of the shearers and the seamen alike it was now an assertion of the dominant rights of unionism, and a refusal to allow non-unionists any rights at all. The marine officers knew that there were men outside their Union capable of filling their places, and a minority favoured the idea of severing the connection with the Trades Hall, and accepting the promise of the shipowners to favourably review the question of pay. But the Trades Hall Council, counting the number of union chickens

gathered under its wings, was unduly inflated with its anticipated powers. It denounced the request for the officers' withdrawal as an insult aimed at the Council, and pledged itself that if the marine officers remained affiliated all the Unions would support them to their last shilling and would teach the shipowners a lesson as to what labour could do when true to its own cause. Thus all round the contest became a question between union and non-union labour. The Council forthwith issued a manifesto setting forth their views of the dispute, and appointed a Committee of Finance and Control to take charge of the fighting operations. Upon this committee devolved the serious responsibility of providing for the temporary maintenance of the men whom they had called out, numbering about 2,500, on the 20th of August.

Two important factors contributed to failure. One was the large number of the unemployed previous to the strike, who were now clamorous to get work and daily bread, even at the risk of personal violence offered to them by those whom they displaced. The other was the passivity of the strongest and wealthiest of the labour Unions, the Institute of Marine Engineers, who refused to come out when urgently pressed by the committee. Generally all the other minor associations threw in their lot with the strikers, and the Seamen's, Cooks and Stewards', Stevedores', Carters' and Wharf Labourers' Unions refused to allow their members to work. The revolt of the last-named body prevented the discharge of coal-laden ships in Melbourne, and the railways, the gas-works, and numerous factories were faced with the prospect of having to cease operations in a few days. The picture of Melbourne plunged in darkness, with thousands of workless men roaming about, bent on preventing, by violence if necessary, any penniless worker taking up the labour they had abandoned, seriously alarmed the citizens. With much difficulty, and in face of attempted violence, the officers of the Gas Company had succeeded in securing the discharge of a cargo of coal at their wharf by free labour; but when it reached the retorts, the gas stokers refused to touch it, and by direction of their Union walked out. A number of free labourers were smuggled into the gas-works to ensure a limited supply of light for the city, but a howling mob surrounding the building was so threatening in language and de-

meanour that the temporary workers had for their own protection to be housed and fed on the premises. In spite of all efforts the supply of gas could not be kept up, and on 28th August the city was in darkness all night. Public indignation stirred the Government to action on the following day for the preservation of the peace. Many men seeking employment at the gas-works had been driven back, ducked in water troughs, and otherwise maltreated.

The strikers had arranged to hold a mass meeting on Sunday, 23rd August, in Flinders Park, adjoining the city, and as it was probable in the exciting conditions that such a meeting might, even unintentionally, degenerate into a riot, the Government called in all the police that could be spared from the country districts, where the feeling was almost unanimously against the strikers. They further quartered 200 of the Mounted Rifles in the Metropolis, and arranged for various volunteer corps to be ready in barracks if required. The Mayor called upon citizens to enrol themselves as special constables, and within a few days quite 2,000 had been sworn in. Finally, the Premier caused a proclamation by the Governor to be placarded throughout the city and suburbs, setting forth the provisions of the Unlawful Assembly Act, and calling upon all people to assist in protecting those pursuing their lawful calling from outrage and molestation.

The mass meeting was largely attended. The Committee of Finance and Control stated in their report that there were 60,000 people present. Mr. Trenwith, a member of that body, when formulating in the Assembly a charge against the Government of having attempted to overawe free discussion by a display of military force, assessed the number at 100,000. Probably half that number would be nearer the mark, for even that would mean one-fourth of the adult population of the city and suburbs. No one man could address such an audience, and though the authorised speakers were fairly moderate in their tone, there were several orators of what became known as the "Yarra Bank" type, whose denunciation of employers and capital were suggestive of the Commune and the days of the Terror. This braggadocio fustian failed, however, to kindle any riotous demonstration, and the handful of police actually present were not called upon to interfere. Probably half the gathering was

drawn there by curiosity, and as their interest was not intense, a squall of rain very materially reduced the numbers before the programme was finished. Amongst the speakers at this meeting was Mr. H. H. Champion, an English labour leader, who had taken a prominent part in the London Dock strike of the previous year. He adopted so temperate a tone, and so strongly dissuaded the meeting from attempting to coerce non-union workers, that a revulsion of feeling set in against him, and he was charged with being an emissary of the capitalists. A few days later he published an able review of the position, and urged the strikers to surrender some of their claims to avoid a certain and ignominious defeat. The accuracy of his forecast was proved by results, but in the meantime the committee broke with him entirely, and bitterly denounced him as an employers' spy who had come into their counsels under false pretences.

Having rejected the idea of compromise, an Intercolonial Labour Conference was called, which sat in Sydney for three weeks, and proceeded to take desperate steps to bring matters to a final issue. The coal miners at Newcastle were called out, followed by the men who worked the hydraulic cranes, and all wharf labour, both there and in Sydney. The Melbourne committee realised that the stoppage of coal supply, necessitating the closing of many factories, was not only increasing the crowd of idle men already on their hands, but was daily reducing the number of workers upon whom they could levy for strike pay to support them. They sent emissaries to Newcastle to charter a coal steamer to keep business going, but the miners were suspicious and declined to resume operations, though assured that the vessel would be run on strict union lines. Finally, as a last effort to terrorise the community, the Intercolonial Conference decided to aim a final blow at Australia's main industry, and on the 24th of September they ordered all the shearers throughout the country to cease work. This was their trump card, but it proved their undoing. The pastoralists, who had weakly tried to conciliate the Unions by submitting to their dictation, now found themselves thrown over at the most critical period of the year; while their neighbours, who had at great cost and personal risk fought the fight of free labour, were enabled to get their wool cut and baled, at any rate, even if they were blocked in sending it away. Within a

week the conference realised the fatuity of the step they had taken, and on the 1st of October telegrams were speeding all over the country ordering the shearers back to work. After this it was a case of *sauve qui peut*. The Melbourne stevedores resumed labour on the 11th of October, and kindred associations followed suit in rapid succession. The men were not always able to secure equally good terms to those prevailing before the strike. In some trades the competition of the unemployed brought down wages, while many employers, before risking their capital by beginning operations afresh, enforced legal agreements, and made conditions for their own safety, which the workers in some cases declared to be very hard. Cargoes of coal were being delivered in Sydney from Japan, others were known to be on the way out from England. The Newcastle miners having by their loyalty to the Intercolonial Labour Conference brought disaster upon the trade of their port, which it took ten years to recover, held counsel together, and with bitter denunciations of the agitators who had led them astray resumed their work before the end of the month.

Both in Queensland and New South Wales, where funds were exhausted and an army of unemployed were recruiting the ranks of free labour, there were many urgent appeals to declare the strike "off". But the Committee of Finance and Control in Melbourne had still a little money left, and they were hopeful that Sir Bryan O'Loghlen's attempt to induce Parliamentary intervention might yet succeed. So, to save their face—as the Chinese express it—they turned a deaf ear to the suggestions from the other Colonies and waited events. Then suddenly came the cruelest shock of all, in an intimation from the marine officers that they had made their peace with the shipowners and had agreed to withdraw their affiliation with the Trades Hall Council. It was recognised as final, for nothing remained worth pretending to fight for. The entire organisations of associated labour throughout Australia had plunged the country in turmoil, had precipitated serious business disasters, and had individually suffered loss and privation to keep a body of men in their association, only to receive in the end a polite intimation that the body in question had withdrawn from that privilege rather than "remain any longer the only stumbling-block in the way of a peace-

ful settlement of the dispute now existing". Seldom, indeed, has the result of so costly an issue been wrapped up in tamer phraseology.

The official report of the great maritime strike issued in 1891 by the Trades Hall Council places the case for the strikers in the most favourable light possible. As might be expected it is laudatory in the highest degree of the conduct and the aims of the men, specially commending the restraint they put upon themselves under the indignity of the military preparations for maintaining order. It is coarsely vituperative in its reference to the attitude of the employers, although, upon its own showing, that attitude was really one of passive defence throughout. And it is clamorously abusive of the Government for its alleged partiality in employing the police to enable non-union labour to earn a peaceful living. In spite of reiterated declarations by Mr. Gillies, that the action of Government would be confined to ensuring the observance of law and order, violent debates arose in Parliament on the question. Mr. Trenwith got in first with a vigorous attack on the Ministry, when the police estimates were under consideration on the 2nd of September. On the 16th of the same month Mr. Service moved the adjournment of the Legislative Council in order to get an expression of opinion from that body, that a conference ought to be held between the employers' and the strikers' respective associations. He deprecated any attempt at mediation, and sought only to bring the conflicting bodies together. Nearly every member of the Council spoke on the subject, but as opinions were about equally divided, the discussion had no effect. In the Assembly during September repeated efforts were made to concuss the Government into interference. This was mainly urged in the interest of the strikers by Sir Bryan O'Loghlen, Mr. Jas. Munro, Mr. John Woods and others, but the Premier firmly declined to be drawn. The debates in Parliament evolved some material available for the construction of a Conciliation and Arbitration Bill, but they had no effect upon the strike, which died from progressive decay of financial support, and the discovery by the Marine Officers' Association that it was strong enough to flout its nurse and to run alone.

The financial injury inflicted by this revolt during its three months' plunging career cannot be estimated. It dislocated trade

in all directions. The suspension of the coal supply threw scores of factories idle, seriously restricted railway communication, and even forced nearly 10,000 men out of work in the far away mines of Broken Hill. The practical blockade of the port raised the price of provisions in Melbourne, while in the country the farmer gloomily saw his perishable products going to waste for want of means of transport. The ocean mail service was deranged by the boycotting of the steamers, and desperate efforts were made to ruin men who sought to victual or coal them. It was estimated that a sum of at least £2,000,000 was lost in wages by the workers throughout Australia, and probably the shipping, the mercantile and the farming interests had to face an equal loss.

The statement of receipts and expenditure issued by the Committee of Finance and Control, although it could not be persuaded to balance in an accountant's sense, threw some light on the finances of labour movements. The Melbourne Committee gathered in altogether something over £31,000; of this £6,500 was cabled from labour unions in England; £3,000 was received in public donations; about £600 was made by concerts and entertainments, and the remainder was drawn from levies on, or voluntary contributions of, the various Australian labour unions. The most important of these were the Amalgamated Miners' Association, £2,500; the Shearers' Union, £1,500; the Typographical Society, £1,400; and the Bootmakers' Union, £1,000. Of the total expenditure of the fund thus raised, the gas stokers took one-fourth to relieve their necessities; and together with the wharf labourers, seamen, cooks and stewards, carters and coal-yard employees absorbed a total of £28,000; something over £1,000 was disbursed in travelling expenses of delegates, printing, advertising and petty charges; £500 was wasted in an abortive attempt to charter a coal steamer in the strikers' interest; £700 was the net loss on three months' working of a so-called "Co-operative Firewood Mill"; and £200 was lost in trying to make a brickyard pay on communistic principles. With the exception of some £70, reported "missing," the remainder went in what the report described as "indiscriminate relief," as to which the auditors complained that there was no proper evidence of these disbursements, totalling about £650.

The details of the strike as given in the contemporary press are sad reading. They show that with all the grand advantages enjoyed by the Victorian working man, in easy finances, limited hours of labour, abundant leisure and freely provided facilities for study, he remains almost as ignorant of the unvarying effects of economic laws as his ancestors were in Britain in the early years of the nineteenth century. There is a touch of pathos in the child-like obedience these men yielded to the decisions of their Unions and the direction of self-constituted leaders. Persuaded by mendacious declamation that their liberties as a class were at stake, they impulsively entered upon a contest which Mr. Champion demonstrated at the outset to be hopeless; and they threw away peace of mind, their chances in life, even their very homes, and brought distress and want to the door of those they loved, as an acceptable sacrifice to a cause which not one man in fifty really understood. If the members of that managing committee had human sympathies, they must have experienced some depressing hours when they contemplated the ruined homes that strewed the battle-field of their unsuccessful campaign. One of them, Mr. Trenwith, became in later years a Minister of the Crown, and learned by practical experience the unwisdom of the incendiary talk he indulged in during the crisis of 1890. It must be admitted that as he gained in moderation so he lost ground in the esteem of that section of the labour party which confounds true democracy with impracticable ideas of Socialism, and cultivates a rabid distrust of capital as necessarily antagonistic to labour.

Concurrently with the collapse of the strike came the downfall of the Ministry. On the last day of October Mr. Munro again moved a vote of want of confidence. The Trades Hall influence was behind him, and its Council passed resolutions calling upon all members to support the vote and to depose a Ministry that was alleged to have shown "gross partiality," to have degraded the military, refused to run union steamers, purchased Japanese coal and otherwise come short of expectations. The Attorney-General was away in England fighting the Ah Toy case. When Mr. Gillies rallied his followers he found himself abandoned at the last moment by some on whom he had counted, but whose fear of the Lygon Street Parliament outweighed their loyalty to their leader. The

division showed 55 ayes to 35 noes, and on the 5th of November Mr. Gillies handed over the seals of office to Mr. James Munro, who had in the interim formed a fairly strong Cabinet. In virtue of his prominent connection with various financial institutions, Mr. Munro took charge of the Treasury, and his colleagues in the Assembly were Mr. Shiels, Attorney-General; Mr. Langridge, Chief Secretary and Minister of Customs; Mr. Allan McLean, Minister of Lands; Mr. John Gavan Duffy as Postmaster-General; and Messrs. Wheeler, Graham and Outtrim in the minor offices. In the Legislative Council he was fortunate enough to secure the services of Sir Frederick Sargood (recently knighted) for Minister of Defence and Mr. J. M. Davies as Minister of Justice, two gentlemen who enjoyed the fullest confidence of the Chamber in which they sat. To broaden his foundations Mr. Munro added to his Cabinet the unusual number of four honorary Ministers, two in each House. All the Ministers were re-elected, and they got into recess on 29th December, Parliament not reassembling until 23rd June, 1891.

The measures passed during that session were chiefly amending Acts of small public importance, but a very large portion of its time was taken up by lengthened discussions in committee on the draft bill of the Commonwealth of Australia. Mr. Munro succeeded in holding office until February, 1892, when he gladly shook off his responsibilities to take the position of Agent-General in London, in succession to Sir Graham Berry, who had just returned to the colony, and who re-entered Parliament at the general election in April, 1892. The translation of Mr. Munro, which occurred during the recess, necessitated the reconstruction of the Ministry, and Mr. Shiels assumed the leadership as Premier and Treasurer. They lost the services of their four members in the Council, and Mr. Duffy resigned the portfolio of Attorney-General with a view to contest the chair. After the general election the Premier transferred the duties of Treasurer to Sir Graham Berry and took up those of Attorney-General. When the new Assembly met in May, 1892, there was another contest for the Speakership. The names submitted to the House were Sir H. J. Wrixon, Mr. John Gavan Duffy and Mr. Thomas Bent, all of whom had seen considerable service

as responsible Ministers. Sir Henry Wrixon was in a minority of three, and the final choice of the Chamber fell upon Mr. Bent. The work of the new Ministry had unfortunately to deal largely with retrenchment in the public expenditure, and increased taxation to square the national balance-sheet. Hence it was by no means popular. It had a stormy existence of eleven months, and after staving off two or three adverse votes, it succumbed at length, and on the 18th of January, 1893, Mr. J. B. Patterson was called upon to preside over the destinies of the colony on the eve of the most critical and dangerous period it had yet known.

CHAPTER X.

DAYS OF TRIAL—THE LEAN YEARS THAT CLOSED THE CENTURY.

The annals of the final decade of the colony of Victoria open under gloomy auspices. Throughout the whole continent of Australia confidence in business prospects had been rudely shaken. Men who by industry and capacity had achieved a deserved success in their calling realised with alarm how combinations of labour, captained by those who had every chance of gain by agitation, and nothing to lose by defeat, could wreck the most carefully planned enterprise. Capital, where it could be disentangled from industrial use, was being gathered into portable form ready for flight, though the time was sadly inopportune for such a movement. The company promoter, with his insidious wiles and brazen mendacity, lurked in every office and store, and he was too often successful in protecting that capital from the assaults of the strikers by simply conducting it into the fathomless sea of liquidation. And while the capitalist was frightened, the masses, with the sacrifice of some millions of rejected wages, were beginning to feel the unwonted pinch of poverty, and were sullenly resentful alike against their unsuccessful leaders and the employers who had paid so heavily for their victory. Not alone at the door of the labourer's dwelling, however, did chill penury sit down.

By the beginning of 1891 a financial spectre began to haunt a large section of the community; to fill the days of the land speculator and share jobber with a depressing dread of the Insolvent Court; to diminish the expenditure everywhere, and hence to so attenuate the profits of the retail trader that he in turn had to succumb. The unwonted sight of scores of shops to let in the best business streets of the Metropolis must have convinced the most thoughtless that there was something serious in the position.

It was a common belief in Melbourne that the fall from the inflated prices which had for some time ruled in the real estate market and on the Stock Exchange was manifested with dramatic suddenness towards the close of the Exhibition year. Indeed, in the vernacular of the streets and the columns of the daily papers the "land boom of 1888" and the "collapse of the boom in 1888" are phrases continually recurring for years afterwards. As a matter of fact, the seeds of the so-called boom were sown in the really prosperous years of 1884-85. It had grown with amazing rapidity under favourable financial conditions, and by 1888 had really got beyond the control of its originators. But the universally expressed opinion that it "burst" in 1888 is hardly correct, seeing that land was sold in Collins Street two years later at the highest price ever paid. It is true that the first severe shock to the inflation of credit was experienced in that year by the insolvency in rapid succession of three notorious land speculators, whose aggregate liabilities were returned at over £1,100,000. The revelation of unsoundness which the schedules of these insolvents displayed produced an immediate effect. The associated banks raised their deposit rates from 4 per cent. to 5 per cent., and let it be generally known that they were not prepared to make any further advances on real estate. Had they been able to command the market, a speedy liquidation of all speculative operations in land must have ensued, and in such case the wreckage, though it might have depleted some reserve funds, would have been transient and comparatively harmless. Unfortunately, a door remained open. The newly established land banks, building societies, and hybrid finance and investment companies took themselves off to London, opened offices or appointed agents throughout Great Britain, and raked in many millions sterling to keep the ball rolling until "better times" for selling should arrive.

It is necessary to go back some years to trace the origin of a condition of affairs which culminated in such widespread disaster. They may be summarised under the heads of—

1. Reckless and quite unwarranted borrowing.
2. The undue multiplication of credit-making institutions.
3. An unprecedented outbreak of the gambling spirit and the

heedlessness with which financial obligations were undertaken and ignored.

4. An all round depreciation in the market value of the colony's staple products—wool, wheat and metals.

These factors were patent, and on the surface, but there was yet another of a more insidious character, the influence of which was not so generally admitted. It was the restriction which the real productive interests of the colony suffered by the transfer of labour and energy to artificial industries bolstered by a misleading fiscal system. The staple industries in full swing, and the produce of the mines fully manned, would at least provide exportable products to materially help in adjusting the balance of trade; but the factories which were propped by the State gave no assistance in that quarter. In nearly every case they were inadequate to local consumption. Their chief recommendation was that they gave employment to a number of people of both sexes at a higher rate of wages than they could have earned in England. These conditions precluded competition in the world's markets, and the result is that despite the millions which the Victorian taxpayer has had to pay, no industry genuinely beneficial to mankind has been founded in the colony. In the eagerness, however, to make the experiment, an overcrowded Metropolis has developed much frowsy expansion, "hands" have multiplied out of proportion to their surroundings, and the sunny plains of the interior wear an aspect of neglect and desertion that invariably attracts the attention of all visitors to the colony.

The breakdown in credit was felt throughout all the Colonies, but it was severest in Victoria, and it is only with institutions having then colonial headquarters there that this record professes to deal. South Australia had passed through a severe ordeal a few years earlier, resulting in the liquidation of two out of her four local banks. New Zealand and Tasmania had suffered under a kindred experience. New South Wales led the van in the suspension of numerous land banking companies and building societies early in 1891, some months before the crisis assumed severity in Melbourne, but the total amounts involved in that colony were far less than in Victoria, even after the disasters of 1893.

It would be a fair ground on which to examine the charge of reckless and unwarranted borrowing if the seven years, 1885-91 inclusive, were made the specific arena. The commencing date was the last year of the Service coalition Ministry, the third in succession of political peace and material prosperity. The two years preceding it and the two that followed were notable for exceptionally abundant harvests. Though the addition to the population in the two preceding years by immigration had been under 20,000, yet in that same period the average deposits in the Victorian banks of issue increased nearly £5,000,000, while the savings banks showed a simultaneous rise of £50,000. The large amount of available credit balances, so far mostly the result of genuine labour, brought many prospective buyers into the market, and led to a rapid enhancement in the valuation of houses and land in the Metropolis and more popular suburbs. This activity in values received a further stimulus in 1885 by the commencement of the construction of the tramway lines in Melbourne, not only by promoting suburban settlement, but also in the meantime by the housing and feeding of a large number of working men and their families, attracted by the reputation Melbourne then enjoyed of furnishing abundant employment.

Thus in adopting 1885 as the starting-point it will be seen that it approached the high-water mark of a period of business prosperity which had so far been unforced by any prodigal Government expenditure. Although there was a large amount of dealing in real estate at advancing prices, the mania had not yet seduced the community into that fever of riotous speculation which transformed "Broken Hill" into a synonym for illimitable wealth. As the year progressed there were portents of a coming change, and the sanguine were pawning their future to buy for the rise.

Taking 1891 as the closing period is justified by the fact that during that year the failure of many financial companies both in Melbourne and Sydney was so manifestly the prelude to a widespread liquidation, that the raising of further capital abroad was rendered almost impracticable. Indeed, the amount so secured during 1891 had not been large, for the great Baring crisis at the end of 1890 had given a sudden check to the prodigal lending of

the British capitalist. It is true that in 1892 the Government floated a loan of £2,000,000 in London, and the Melbourne Board of Works one for £1,000,000, both at very unfavourable rates; but these came at a time when the process of paying the penalty had commenced in earnest, and they had no part in provoking the crisis. After these efforts the process of borrowing took an absolute rest for six years.

The amount of borrowed capital imported into Victoria during the seven years selected for examination is most startling. The following summary is certainly well within the mark, for it takes no account of large sums advanced on mortgage by private individuals and British insurance offices, through the agencies of several leading firms of solicitors. Nor does it touch the investments made by hundreds of European visitors who were attracted to the colony during the flush of its meteoric expansion, and gladly planted their capital on such an apparently reproductive soil. Mr. T. A. Coghlan estimates this item alone at £6,000,000, which is possibly excessive, but the following figures have been carefully checked:—

The Government borrowings were	£19,500,000
Tramway, Harbour and Fire Brigade Trusts	2,750,000
Debentures and new capital of Pastoral Companies	4,000,000
Debentures and new capital of Property Investment Companies	1,500,000
Melbourne and Suburban Municipalities	1,050,000
Shares issued by Banks and Land Companies in London	700,000
Deposits taken in London by Land Banks, Building Societies, etc.	3,500,000
Increase of British deposits in established Banks	5,000,000
	£38,000,000

An influx of borrowed capital continuing for seven years, at the rate of £5,500,000 sterling per annum, plus the legitimate productive earnings of a country where nearly all were supposed to be working,

could not but be productive of wide disorganisation in a community where the male population between the ages of fifteen and sixty-five numbered only 350,000. This handful of people, presumably including nearly all the bread-winners, were faced with an added responsibility in the shape of providing annually upwards of £1,500,000 sterling as interest on their increased indebtedness. Had it been possible to use the capital profitably this would have been a small matter, but the manner in which it was used pauperised and demoralised the community, and left scarcely any permanent addition to its productive or manufacturing power.

The Government share of the borrowings was scrambled for in Parliament, where every member pleaded for more expenditure in his own electorate. With the exception of a few public buildings for the dignity of office, a score or so of State schools, a new bridge over the Yarra at Melbourne, and about £3,000,000 in extension of water supply, the balance, some £14,000,000, went into the bottomless pit of haphazard railway construction to keep company with other millions of non-interest-earning bonds. The proceeds of the debentures and other obligations issued by the pastoral companies were swallowed up in "improvements" which a remorseless drought rendered valueless in a few years. It is true that the expenditure of most of these loans was largely outside the colony, but the issues were chiefly negotiated from Melbourne, and the proceeds came mainly through the Victorian Custom House. The bonds of the various property investment companies were melted to purchase properties at inflated prices, most of which refused to yield a profit even remotely approximate to the interest with which they were burdened. The Municipal loans were largely applied to street improvements, desirable in themselves, but more legitimately chargeable to current revenue. In many cases, however, the money was wasted by a silly competition in the erection of costly and unnecessary suburban town halls and municipal offices. To some extent the city fathers may be excused on the ground that the rateable valuation of property in Melbourne and the other cities and towns under the Local Government Act increased from £41,000,000 in 1885 to £91,000,000 in 1891. It was an emphatic endorsement of the general acceptance of inflated values that the owners were

content to allow such an enormous addition to their municipal taxation. With the cessation of borrowing in 1891 valuations rapidly receded, and by 1898 they had been officially reduced by quite one-third from the maximum figures.

The deposits taken by the land-banking, finance-mongering, mortgage and investment companies were squandered in vain efforts to keep alive a belief in the profitable activity of the real estate market; in paying dividends to shareholders that were never earned; and in the maintenance on an extravagant scale of Boards of Directors, and shoals of well-paid officials. Fully £5,000,000 of debentures and deposits had eventually to be realised by the British lender through the medium of official liquidators, and in some instances the dividend was scandalously small. To the legitimate borrowings of the Tramway Trust, the Harbour Trust and kindred bodies no objection could be offered, for they had the ascertained elements of recuperation within themselves.

It is convenient to adopt the current formula in speaking of the proceeds of this borrowing as money, though of course no portion of the millions came out in cash. To a certain extent they increased the available stock of metallic currency by taking the place of the export of bullion. During the seven years under consideration the imports of the colony reached the gigantic figure of £148,000,000 against £94,000,000 of exports. Quite one-fourth of the former amount represented food and liquor, which found its way into extravagant consumption amongst a community intoxicated with such apparent abundance. In the same period the ordinary revenue of the colony exceeded £53,000,000, or nearly £8,000,000 per annum, all of which was freely spent in addition to the huge loan disbursements. During the year 1887 the total deposits in the Australian Banks increased by £12,000,000, while their total advances rose by barely £3,000,000. It was plain to experienced bankers that these accumulations could not be used with safety. Accordingly, during this year they successively reduced the interest they allowed from 6 to 5 per cent. and then to 4 per cent. Unfortunately, this added fuel to the speculative flame, by forcing dissatisfied depositors to the building societies and land-jobbing companies, generally using the word "bank" in their title, and which gave from 1 to 2 per

cent. above the current rates for deposits. For by this time the rage for buying land and building houses for the accommodation of four times the existing population had fairly set in, and every fresh deposit received for a year went at once into a form of investment that, as the event proved, took from ten to fifteen years to realise, too often even then with a substantial loss. It was the keenness of this competition that made it difficult for the regular banks to adhere strictly to the conservative rules of their trade. They had as a rule refused to have anything to do with speculative operators for the rise, and now they saw their deposits being transferred to institutions that used them specially for the encouragement of such business. Meanwhile, the inflowing capital was starting no new industries, developing no latent resources from which the banks might look for legitimate borrowing customers. The market began to be flooded with bills of exchange arising out of land transactions, soon exceeding in amount all the genuine commercial paper in the colony. Many of them bore the names of leading and responsible citizens, others the endorsements of reputedly substantial guarantee companies. Gradually but surely much of this paper got into the bill cases of the banks, and it was when they sought finality in these obligations that the débâcle began to manifest itself.

Having outlined the sources of much of this borrowed capital, it is desirable to show the evils which resulted from the rapid creation of such a mass of credit-making institutions. The building societies claim the first consideration, not so much on account of the actual loss they entailed as upon the ground that they represented the perversion of a principle undoubtedly good in itself, into a system that was mainly responsible for the disastrous inflation of the eighties. Building societies on the sound terminating principle had been greatly favoured in the colony from its earliest days. The thrifty had used them with advantage to secure their own homes, and the foundations of many fortunes were laid by the early colonists through their aid. So long as they confined their operations to receiving and relending the subscriptions of members, they formed a co-operative fellowship alike creditable and beneficial, invariably winding up with all-round satisfaction. But when the terminating societies began to be generally superseded by those on a permanent

basis, the nature of their business changed into that of a land mortgage bank. They competed for deposits at high rates and promptly invested the money obtained under tables quite out of harmony with the term of the deposits. In 1885 there were sixty-two such societies, nearly all in Melbourne, holding amongst them £2,500,000 of deposits on which they were paying 7 per cent. interest. In 1889 the number had decreased to fifty-four, but the deposits had increased to close upon £5,000,000. Two years later (Oct., 1891) the number was further reduced to fifty, several having gone into liquidation in consequence of "runs" upon them, but those that kept their doors open at this date still held £4,730,000 of deposits. This steady growth of borrowed resources had deflected the business from its legitimate channels. Borrowers were not forthcoming in sufficient number, so the societies started a fatuous competition with each other by buying land and erecting houses in dense groups, hoping to sell them under their extended tables. By the beginning of 1891 upwards of 3,000 houses in Melbourne and suburbs stood gaping for tenants, and the building societies, in addition to owning the larger portion of them, found themselves in possession of sufficient vacant allotments for the erection of 10,000 more of these cottage homes which no one wanted, while the bare land in its minute subdivisions was practically valueless. And while no man came to buy their wares, the depositors began to demand their money back. There was reasonable ground for the distrust they evinced. The first shock which the thrifty received was the suspension of the Premier Permanent Building Society, which had added to its title the words "Savings Bank," and under that attractive name had gathered in over £600,000 of deposits. As a result of an official investigation it was announced that all its paid capital was lost, and that the prospect of a dividend for the depositors was both small and remote. A score of kindred societies began immediately to feel the effects of the public distrust which these revelations evoked. For the business of the failed institution had been managed by a member of Parliament, who had by his much speaking in the House on fiscal questions been regarded as a special financial authority. Furthermore, two of his fellow-committeemen were members of the Ministry of the day, a

position which presupposes wisdom. An additional cause of alarm was the discovery about this time that another society had been robbed by its secretary of an amount actually exceeding its entire paid capital, without the committee of management or the auditors knowing that anything was wrong. In these circumstances it is not surprising that before the end of 1891 a steady deposit drain had set in, and fully a dozen societies had to suspend and negotiate with their creditors. There were other conditions that made for trouble, apart from the want of confidence. The sudden and absolute cessation of building operations in Melbourne, the practical completion of the tramway construction works, and the blow given to private enterprise by the great strike had thrown vast numbers out of work and stopped the circulation of the wages fund. The result told with double force upon the building societies, in the inability of borrowers to keep up their payments, and the necessities of others which compelled them to withdraw their savings. Many of the societies had what would be considered good assets in normal times, but in face of a declining population they were waning daily. Blocks of artisans' dwellings, terraces of medium respectability, elegant suburban villas, and endless wildernesses of city offices stood earning nothing, but accumulating rates and taxes and devouring much in the way of repairs and upkeep. Residential and office accommodation had been provided for a city of the size of Glasgow, but the growth of population, so confidently predicted in 1888, could not be coaxed into a reality. So by 1893 all but two or three of the societies had surrendered to the inevitable. Some passed quietly out of existence in friendly liquidation, and veiled their losses from the public gaze. The soundest of them managed to make terms with their depositors for long extension at a low rate of interest. But they all ceased to do business, except in so far as the realisation of their assets and the discharge of their liabilities were concerned. The absolute collapse in values and heavy fall in rentals involved the sacrifice of over £2,000,000 sterling in shareholders' capital, but the loss incurred by depositors was limited to about a dozen societies, and apart from the "Premier" and "South Melbourne" was comparatively small.

The building societies had been established for legitimate

purposes, and while conducted with moderately conservative management had been helpful and desirable. The same cannot be said for the swarm of land-jobbing, financial and mortgage agencies and property investment companies, which, by the misleading use of the word bank in their titles, made a large haul of borrowed wealth, and upset all business calculations by their prodigal expenditure of it. Melbourne in 1887 contained, in addition to the ten banks of issue associated in the Government business, branches of three important banks whose headquarters were in other Colonies, and two local banks that were not members of the Clearing House. At that date they held amongst them deposits to the amount of £35,000,000, the whole of which and something more had been lent out in business advances. In the aggregate these institutions had behind their local deposits enormous resources in capital, reserves, and the command of deposits in London and elsewhere. Hence there could be no question of their ability to do all that could be reasonably asked of them to support their customers. It was not any churlish conservatism of the regular bankers that called the scores of rashly speculative competitors into existence. It was the demand which the plungers of the new school of finance made for institutions that would take all the risk, and ask for no share in their desperately snatched profits. And the temper of the times made their creation easy. In 1884 it was not difficult to grasp the nature and even the respective positions of the financial institutions of Melbourne. By the middle of 1888 the increase had been so great in number, the variation in objects and methods so rapid, and even the changes in name so frequent, that steady business men trudging in the old grooves were unable to keep definitive knowledge of the invaders. During the last-named year there were quoted on the Melbourne Stock Exchange, under the head of "Banking and Financial Institutions," no less than twenty-eight of these outsiders, of which fourteen called themselves "Banks". Their aggregate subscribed capital was advertised at over £24,000,000, about £7,000,000 of which was alleged to be paid up. In addition to these there were twenty-two "Land and Investment Companies" with something over £1,000,000 sterling paid up. Of the twenty-eight banking and finance companies only two passed through

the cyclone without suspension, six managed to make terms for reconstruction or obtained time, and the remaining twenty found dishonourable graves under the auspices of more or less hostile liquidators. The twenty-two land and investment companies, many of which had enticed considerable deposits from the public, all passed into the limbo of liquidation, leaving behind them little but bitter memories of wrecked hopes and broken fortunes. It was under these two divisions in the Stock Exchange that the dealer in gambling counters found an arena that was even more attractive than the mining share market. But it must not be supposed that the figures given above represent anything like finality in the vortex of speculation that raged in Melbourne. Fully fifty companies that got on the register failed to secure the dignity of exchange quotations; but probably quite as much money was lost in the operations of syndicates, private partnership for land dealings, which were very numerous in 1887-88. Some of the most cautious and prosperous merchants of the colony were entangled in the gilded devices, but in nearly every case they were well able to pay for their experience. There were not half a dozen cases where failure in the ordinary mercantile sense overtook business houses as a result of the all-pervading speculation. The same cannot be said of the professions, for barristers, solicitors and doctors were fairly prominent in the compositions of the day. Many wholesale houses in various lines took advantage of the rage for investment to turn their businesses into limited liability companies, but the public did not hastily rise to the prospect of profits in legitimate trade. All the breweries gravitated into this form of investment, and the fevered public found £2,000,000 of capital, and undertook a liability of an equal amount in the sure and certain hope that the drinking habits of the people would produce fat and permanent dividends. Curiously enough a mania also arose for building so called "Coffee Palaces" on a gigantic scale, but despite the laudable object in view, the temperance people suffered as acutely when the day of reckoning came as those who catered for the hard drinker. Needless to say that in all cases the companies were grossly over-capitalised, and three-fourths of them proved to the shareholders a crushing liability.

Profuse new issues of capital were made in 1887-88 by nearly

all the companies that had got a start. They were rushed by the public with avidity, at high premiums, and in several cases were applied for three times over. More than once accommodating promoters promptly increased the nominal capital to meet these unexpected demands. This mad business reached its climax by the middle of 1888. Between the 12th of May and the 14th of June in that year sixteen land companies, fourteen trading companies, three coal and copper mining companies and three banks, in all thirty-six companies, issued their prospectuses, with an aggregate subscribed capital of £3,750,000, of which £1,550,000 was called up! In addition new capital was called up within the same period totalling £1,160,000, and carrying a further liability of £660,000. In round figures it meant that apart altogether from the enormous existing obligations, the public further undertook in one month to provide £2,700,000 in cash and to carry a responsibility of quite as much more in the shape of callable capital. To those who could afford time to think, and were able to estimate the population, this must have indicated how widespread and deep-seated was the prevailing aberration.

It is worth calling to mind that these visionary schemes of wealth took on an air of reality and encouragement from the fact that instead of evoking condemnation from the colony's chief creditor, they aroused a responsive echo in Great Britain. "The sweet simplicity of the 3 per cents." was for a time overshadowed by the magnificent returns, said to be so easily obtained in Australia. Not content with pouring their money like water into the coffers of the local concerns, the British capitalists yearned to have a venture or two of their own. In June, 1887, it was cabled that "The Australian Town and Country Land and Mortgage Company" had been formed in London with a capital of £1,000,000. A little later "The London and Australian Trust Company," also with a capital of £1,000,000, blossomed into being, and captured the Agent-General of New South Wales for its chairman. Again, in 1889, it was cabled that a new bank for Australia was in course of promotion, with £2,000,000 of capital, to which Messrs. Baring Bros. had agreed to stand as sponsors, if they approved of the Directors. Probably they were too near a climax in their own affairs to give sufficient

attention to the scheme, but the announcement served to feed the flame in the Colonies. In May, 1890, "The Imperial Colonial Finance and Agency Company," with £1,000,000 of capital, was reported as floated in London, with the Marquis of Lorne as chairman, and Sir Hercules Robinson, ex-Governor of New South Wales, Lord Eustace Cecil, and other distinguished people on its Board. In October of the same year the prospectus was issued of the "United Australian Bank," with a proposed capital of £2,000,000, and a very strong mercantile Board, under the chairmanship of Mr. Arthur Magniac of Matheson & Co. Australia was not destined to have the handling of these millions, for two months after the last-named project was put forward the great financial crisis which brought down Baring Bros. smote the world's money market and temporarily stayed the hands of the promoter.

When the associated banks made the stand, already referred to, against speculative land advances, an outburst of feverish activity in the collection of English deposits set in. The larger building societies had agents not only in London, but throughout Scotland and Ireland, and raked in considerable sums. The outside banking and land mortgage companies which opened offices in London made no pretence of forming a business directorate. Thus the "Federal Bank of Australia" secured for its first chairman Sir Henry Barkly, an ex-Governor of Victoria, and associated with him Sir Andrew Clarke, Acting Agent-General of the colony. The "Mercantile Bank of Australia" was presided over by Sir Graham Berry, while Agent-General in London, and he also figured as a Director of the "Freehold Investment and Banking Company" in association with an ex-manager of one of the leading Australian banks. When all these three institutions went into liquidation, and the depositors received exceedingly meagre dividends, they were not without some grounds for the complaint that they had been cajoled into a sense of security by such a display of ex-Governors, ex-Premiers, and distinguished representatives of the colony's business interests. They were not unmindful that Sir Graham Berry at the time he was receiving their deposits was pressing on the Imperial Government the passage of a Bill to authorise the investment of trust funds in colonial securities, because of their undoubted character. They

almost felt in dealing with men like Sir Graham Berry or Mr. James Munro, to whom the people of Victoria so confidingly handed over the control of their Exchequer, that they were getting a kind of Government guarantee. When the news reached London that Sir Graham was one of the well-paid liquidators of the Mercantile Bank while holding the honourable position of Treasurer of the colony, the indignation was loud and deep, and the national credit suffered by the inferences the angry depositors drew.

It certainly did look on the surface as if the horde of companies in their scramble for deposits had entered upon a course of deliberate deception. Many of them, which were started as land-dealing companies pure and simple, changed their titles for the purpose of disguising the business they were doing when it became tainted. Thus the "Victorian Freehold Bank," a small company promoted to take over the business of a firm of land agents, became, when it went to London for deposits, the "British Bank of Australia". It even succeeded in floating an offshoot under the all-embracing title of the "Anglo-Australian Bank," which snared some deposits by means of balance-sheets so palpably fraudulent as eventually to land the managing officials in the criminal dock. The "Victoria Land Company" became the "Victorian Deposit and Mortgage Bank," and so on through a whole catalogue. Perhaps the most striking example of this practice of adapting the title to the object in view was in the case of a company to which special attention was drawn in a State paper submitted to the British Parliament in August, 1893. The company, originally called "Henry Arnold & Co., Limited," was so successful in its land dealings that it not only distributed large dividends, but increased its capital by the issue of 10,000 new £10 shares at a premium of £7 10s. per share, and they were over-applied for. To meet its growing importance the name was changed to the "Melbourne Deposit and Mortgage Bank," but when it opened a London office to tap the deposit market it became the "English and Australian Mortgage Bank," under which title it gathered in £500,000 sterling of the spare cash of the British investor.

The millions of deficiencies shown in the insolvent estates of the thousands who passed through that Court were not properly described as losses. They were largely anticipated but unrealised

profits of shameless gambling. They only existed on paper, and as a rule left their disconcerted owners no worse off than they had been a few years before. But in the entanglement of this web of financial intrigue the thrifty were the real sufferers. Hundreds of families, who took no part in the active land and share jobbing, but were innocently the providers of the means for it by depositing their savings at tempting rates of interest, were reduced to penury. Several distressing suicides occurred, of men who found themselves hopelessly involved, and lacked courage to face the consequences. It was to the credulous but honest victim of the company promoter that the depressing cloud of uncalled capital hung suspended like the fiat of doom during the last years of the century. It has been computed that the liabilities for calls in 1891-93 exceeded £10,000,000 sterling. Of course the bulk of this was absolutely irrecoverable. Something like two-thirds of it disappeared in the Insolvent Court, in compositions with creditors, or in compulsory liquidation. Many of the outside institutions worked in conjunction, and found the money, or rather the credit which represented the share capital, in each other. One sample will suffice. The Anglo-Australian Bank in its balance-sheet of August, 1891, stated shareholders' capital at £110,000. In the criminal prosecution which followed its suspension, it was proved that the only amount actually paid up was £37 10s. The remainder of the "capital" was represented by an overdraft in the British Bank of Australia, its foster parent, for the amount assumed to be paid for the shares by an official, who intended to unload them on the public. In the British Bank itself, the uncalled capital, which stood at £350,000, produced less than £10,000, all the large holdings of shares being in the names of insolvent kindred companies or their penniless nominees. The same method of manufacturing capital was adopted by the Imperial Banking Company, and a score of others, showing how fictitious was the security depositors relied on when placing their money outside the ordinary channels. Another cruel hardship to the genuine investing shareholder in these institutions can be best illustrated by a concrete instance. The Freehold Investment and Banking Company had a subscribed capital of £1,500,000, of which only £270,000 was paid up. There were 66,000 shares in

the company, which stood high in public estimation on account of the respectable character of its directorate, and the moderation with which it dealt with its apparent profits. When it suspended in 1892 it transpired that 42,000 shares out of the total were held by three of the promoters, whose joint liability for calls was £850,000, a responsibility so far beyond their power to entertain that they denuded themselves of it through the Court. Over 16,000 more of the shares were in the names of companies in liquidation or insolvent nominees, and the final outcome of the winding up was that about thirty persons, holding some 5,000 shares, had to bear the full levy of £22 10s. per share. Had the shareholders all stood on an equal footing, about £3 or £4 per share would have discharged the company's liabilities. As it was, a number of small men were ruined, and the depositors had to face a heavy loss. In dozens of instances this principle worked, and while creditors saw their supposed security of uncalled capital melting away, those who had honestly invested their savings under delusive prospectuses found themselves crushed by the magnitude of the liability which their reckless copartners left them to carry.

The subject is a painful one to dwell on, and the scars which it inflicted are not yet healed. A brief *résumé* of the acute stage of the crisis will, in the light of this elucidation of the methods, be better understood. In the beginning of 1891 there were, exclusive of the building societies already dealt with, eighteen Land Banks, Mortgage Institutions and Property Investment Companies in Melbourne carrying deposits exceeding £8,000,000. They had also liabilities to their bankers and otherwise of £2,500,000, and their paid up capital was stated at over £4,000,000. The action of the associated banks in October, 1888, had resulted in a fall of quite 50 per cent. in the market quotations for the shares in these companies. During the two following years there were many turbulent meetings of shareholders, loud demands for investigation, much disclaiming of responsibility, and numerous exposures of deceptive financing. The Law Courts were kept busy with actions for false representations or for specific performance of contracts. Promoters were meanwhile fiercely denouncing the banks for harshly calling up advances and precipitating a crisis. The involvements of individuals and

finance companies were extensive and complicated. Week by week cases were brought to light of embezzlement, fraud and grave breaches of trust, some of the latter compromising men of hitherto unblemished reputation. Shareholders had been anxious for some time, but the failure of the Premier Building Society was the first indication that depositors were likely to suffer. When it was followed early in 1891 by the collapse of nearly a dozen kindred institutions in Sydney, the panic assumed serious proportions and soon spread to Melbourne. In August the British Bank of Australia, the Anglo-Australian Bank and the Imperial Banking Company passed into the hands of receivers, and the disclosures of fraud in connection with their flotation and brief career intensified the prevailing distrust. At the same time the New Oriental Bank closed its doors, one of the reasons assigned by the chairman in London being "injudicious advances made in Melbourne". Then came the discovery of frauds to the extent of £250,000 sterling by the officers of the Land Credit Bank and South Melbourne Building Society which involved their destruction. During the last quarter of the year six building societies and four so-called banks joined the ranks of the defeated, and put out of circulation over £4,000,000 of deposits. So far the most serious of these suspensions was the Real Estate Bank, which had liabilities in London of over £500,000. Mr. James Munro, the Premier of the colony, was its foster parent, and his appointment of himself as Agent-General at this juncture was supposed to be influenced by a belief that he would be better able to pacify the English depositors by appearing amongst them in so dignified a position. A more gloomy year than 1891 had not been experienced in Melbourne, but there were worse in store.

In February, 1892, the suspension was announced of the Freehold Investment and Banking Company, the English and Australian Mortgage Bank, and the Victorian Mortgage and Deposit Bank, with deposit liabilities of £2,100,000, more than half of it owing in Great Britain. A month later the Mercantile Bank of Australia closed its doors. This was a serious blow to Australian credit, because through its London office it held over £1,000,000 on deposit, and had placed 4,500 shares on a London register. These four institutions had much inter-relation in the matter of financial support

and in the personnel of their management. They were the most prominent of a group of companies largely controlled by one family and its immediate connections, and it involved tedious investigation to follow the complicated entries by which they had supported each other's credit, until the effort to keep afloat had finally strained that of the Mercantile Bank to the bursting-point. Within a month two more Mortgage Banks, both of which had been established many years, and were apparently doing a legitimate business, were compelled by the drain on their deposits to suspend. So by the middle of 1892 there were twenty-one financial companies of one kind or another in suspension, holding deposits to the extent of £11,000,000. Another aspect of these failures, lightly regarded at the time, but pregnant with grave trouble for shareholders, was the liability of £4,600,000 for uncalled capital. From this time the calls began to be an oppressive item in the finances of hundreds of households. At nearly all the meetings of this year the tone of the Directors and Managers was optimistic in the extreme; shareholders generally expressed confidence in an early resumption of business, and depositors in the receipt of their claims in full. At most of the half-yearly meetings of the regular banks the depression was spoken of as temporary, though in several cases considerable sums were set aside out of reserves to provide for anticipated losses, with a confident assurance of their sufficiency.

The year 1892 was prolific in insolvencies. In Melbourne alone no less than 610 persons effected legal compositions, or passed through the Court with declared liabilities of £7,800,000, some notorious dividends being for less than one penny in the £. Beyond these it was well known that compromises amounting in the aggregate to an enormous sum were effected privately in cases where both debtor and creditor shunned publicity. Apart from the heavy losses sustained by the collapse of speculative companies, a serious diminution of individual incomes followed the general reduction in banking dividends; and a heavy fall in the market value of the colony's chief products, especially in wool, added to the depression with which the year closed. With the door to further borrowing apparently closed even against the Government, and with the Treasurer's statement that the accrued deficit in the public funds exceeded

£1,500,000 on the 31st of December, the future seemed blank enough to stagger the most hopeful.

The year 1893 opened to an attitude of strained expectancy. Before the first month had passed the Federal Bank of Australia closed its doors. It was the youngest of the "Associated Banks," so called from their being the joint custodians of the public account, and united in agreement as to rates of interest and exchange. Beyond this there was no affiliation, and their respective aims and policies were often distinctly antagonistic. But the public had been led by some vague and injudicious announcements, communicated to the press, to believe that the association covered the mutual support and assistance of all within the charmed circle. Hence, when the Federal Bank suspended, and it became known that a proposal for its liquidation under the guarantee of the other banks had been refused, the panic was intensified by wild charges of breach of faith, and by the rude sweeping away of one supposed line of defence, which the association was credited with having erected. Since the closing of the Mercantile there had been a steady drain on the deposits of the Federal. Its antecedents told somewhat against it. In its early stages it was a hybrid cross between a bank and a building society, and though eventually the businesses were separated, its position as a bank was impaired by the association. Nearly all its Directors were known as prominent speculators in the property market. Mr. James Munro, ex-Premier, Agent-General, and founder of the Real Estate Bank, had been for some time its manager, and was believed to be heavily involved with it by his companies and connections. Its deposits were being withdrawn as they matured, and by the date of its suspension the drain had been so complete that after providing for Government balances and other preferent claims, there was barely £2,000 left in the safes. A scrutiny of the share list revealed a very poor prospect of calling up further capital, therefore any satisfactory reconstruction was hopeless, and liquidation was the only course.

The preliminary report of the liquidators revealed involvements with defunct companies and insolvent speculators that implied serious loss to the depositors, and the chronic distrust of the past six months suddenly became acute. The rivulet of withdrawals,

which started with the failure of the Mercantile, swelled into a torrent, which swept an uncounted sum of gold coin into private safes, and other less dignified hiding-places. There were no means of combating the widespread distrust. It was known that most of the local banks had depositors in Great Britain. It was firmly believed that the losses the English creditors had sustained by the two failed banks would ensure the withdrawal of their deposits as they matured. Could the banks call up advances in the Colonies and remit in time to meet these liabilities, while subject to exceptional local demands? It seemed doubtful, but even if they could, such an extensive calling up, with its attendant forced realisation, must bring about serious business troubles, and in that case it was as well to have one's resources literally in hand. So reasoned the depositor, and this frame of mind, widely existing, produced disastrous action during the first quarter of the year. When the banks closed for the four days of the Easter holidays there were many to declare that some of them would not reopen.

Unhappily these anticipations were realised. The Commercial Bank of Australia, with over a hundred branches throughout the continent, with 35,000 customers on its books, and with liabilities in its last balance-sheet exceeding £12,500,000, was sore beset. More than £1,500,000 sterling had been withdrawn from its deposits in nine months. It had admittedly strained its resources by injudiciously assisting some of the financial companies banking with it, to meet the demands of their panic-stricken depositors. Viewed apart from the exciting surroundings, this policy from a bank's standpoint was indefensible; but, like the rest of the community, prior to the revelations of liquidators, the Directors of the bank believed in the temporary nature of the assistance required by their customers, and placed too optimistic a valuation on the large uncalled capital of the companies to whose aid they came.

Now that their own time of trial was upon them, they recalled the fact that within the previous month a panic "run" on the Savings Bank had been effectually stopped by a Government announcement that the State would be responsible for the payment of all depositors. It was confidence, not coin, that was wanted; the run immediately ceased and a reflow of deposits set in. The Com-

mercial Bank consulted the Government in the persons of the Premier and the Treasurer, and subsequently at a meeting of the associated banks, which Mr. G. D. Carter attended, proposed that it should be placed in a position to publicly notify that it had been promised the combined financial support of the Government and the banks to such extent as might be required. The proposition was too far-reaching to be entertained, but any promise of limited assistance would only have induced an acute scramble to get in before the limit was reached. Mr. Carter's proposed alternative showed how little he had grasped the seriousness of the position. It was the formation of a temporary fund of £1,800,000, to be raised by each of the nine banks lending £100,000, and the Government then drawing upon each of them for a further £100,000, from the credit balance of the public account in their hands. Had this proposal been accepted, it would, instead of averting the crisis, have undoubtedly precipitated it, for some of the banks would have had to part with half their coin to meet this demand, at a time when all were intent on watching the metallic barometer. In any case it only meant a temporary postponement, and it was declined. In the interest of the bank's far-away depositors it was resolved to suspend further payments, and to submit immediately to its shareholders and depositors a proposal for reconstruction. This embraced the calling up of the whole of the subscribed capital, the conversion of about one-fifth of its entire deposit liabilities into preference shares, the immediate release of current account balances under £100, and an extension of time for payment of the remainder, spread over some years at current rates of interest.

Desperate as was the remedy, and drastic its provisions, the shareholders and creditors accepted it with generous unanimity. It was admittedly an infraction of the unwritten law and honourable traditions of the English banking system. It was fully open to the charge of being oppressive and inequitable. But the only alternative was not to be contemplated. Liquidation meant the conversion of £12,000,000 of advances into cash. Such a proceeding would at least need a market, and there was none. Further, as all the other banks were rigorously restricting advances, it meant ruin to a large proportion of the Commercial Bank's borrowing customers.

It meant the closing of factories, forced realisation of stocks, and the eviction of hundreds of farmers, unable to transfer their mortgages. Important corporations and municipalities would have been compelled to suspend operations, and there would have been created a vast crowd of workless, hungry and angry men, thrown out of employment in all directions.

If the end can have been held to justify the means, the actual result that followed was certainly not anticipated. The prompt acquiescence of the creditors of the suspended bank enabled it to resume business after a very brief interval, and the freedom which it attained under reconstruction from those immediate demands, which were still grievously trying other institutions, gave it an unlooked for preference, and certainly added to the difficulties of its competitors. The public continued to manifest distrust of the surviving banks, and believing that reconstruction in some form would be necessary all round persisted in weakening them by steady withdrawals. By such action they brought about the realisation of their predictions.

Within a fortnight of the first suspension the downfall commenced, and by the 17th of May the doors had been temporarily closed of four more Victorian Banks, two English Banks whose colonial headquarters were in Melbourne, two leading banks in New South Wales and three in Queensland. Inclusive of the Commercial, there were thus twelve institutions suspended, having 965 branch establishments all over Australia, and aggregate liabilities exceeding £100,000,000. They all passed through the stage of reconstruction successfully, some of the schemes slightly varying, either in inception, or by modifications ordered by the Courts. In all, however, the main principle was a postponement of current obligations, accompanied generally by the conversion of a portion of the liabilities into fixed capital in the form of preferent shares or stock. One only, the City of Melbourne Bank, was unable to survive the shock, though its scheme was approved by its creditors and sanctioned by the Court. The revelation of some grave irregularities on the part of the management led to some proceedings in the Criminal Court, resulting in disclosures which necessitated its official liquidation. It was the smallest of the associated banks, with

only three branches, but it held £2,750,000 from British depositors, by whom a considerable loss was sustained.

The ineptitude of the Victorian Ministry was strongly in evidence during this crisis. They accentuated the panic in its most acute stage by proclaiming a *Moratorium*, in the shape of a Bank Holiday from the 1st to the 5th of May inclusive. The Bank of Australasia, the Union Bank and the Bank of New South Wales ignored the proclamation and remained open to meet their liabilities, with a result that confusion became worse confounded, and Central Melbourne was like a disturbed ant-hill, men running hither and thither with their money, not knowing in whom to believe. It must have been very humiliating to the quaking Premier and Treasurer, Sir James Patterson and Mr. Carter, to see how in the final extremity Sir George Dibbs arrested the panic in Sydney and restored confidence in the surviving institutions within twenty-four hours. The Government proclamation issued in Sydney on 16th May made the notes of the banks in that city, then remaining open, legal tender throughout the colony for a period of six months. The effect was to cause a huge expansion of the circulation for a week or two, and then a gradual settling back into accustomed grooves, without any excitement. Had the proclamation been made a day earlier it would have saved the suspension of the Commercial Banking Company of Sydney. As it was it provided ample means for meeting the drain on the Bank of New South Wales, and blocked the further disasters which so strongly threatened. When all arrangements were carried through, it was found that the banks in process of reconstruction throughout Australia had called up over £6,000,000 of fresh capital, of which quite one-half was payable in Melbourne and about one-fourth in Great Britain. The closing, even temporarily, of so many banks necessarily threw business everywhere into confusion, but so much consideration was shown all round that no mercantile disasters immediately ensued. Some industries that, notwithstanding the heavy preferences they enjoyed under protection, were really unprofitable had to cease operations when they lost the support of their bankers. A much more serious matter was the suspension in June and July of two of the largest pastoral and wool-dealing companies, with debenture and deposit liabilities in England of over £4,000,000;

and, what was perhaps even more alarming to the shareholders, with uncalled capital of £7,000,000. The pastoral interest had suffered much from bad seasons, and still more by a persistent fall in the value of wool, which by 1893 had dropped to a price at which it could only be profitably grown in exceptionally favoured localities. It was notorious, however, that this year of acute disaster to Australia was notable for the severe fall which occurred in the value of ordinary commercial products throughout the whole world; a fall from which recovery has been very tedious, and in many cases is still incomplete.

When a year later the reconstructed banks had got into working order they had to face a multitude of difficulties. The losses which the public had sustained enormously diminished their spending power, and trade generally languished. With this severely curtailed business, and the impossibility of realising unproductive securities, some of the banks found that they had undertaken more in the way of interest than they could perform. During 1895-96 there were several revisions of the original schemes, and the Courts were kept busy in deciding delicate questions of contract, in which equity had occasionally to defer to expediency. On the whole, probably the best was done for all concerned, and by the exercise of a Spartan economy the lean years which followed the crisis were lived through in hope, and with a wholesome avoidance of any new schemes for capturing Fortune.

The financial aspect of these years of Victoria's trials has perhaps secured undue space for its consideration, but it was such a marked factor in the last decade of the century, and so coloured the political and social movements of the period, that it could not be lightly dealt with.

The Ministry of which Mr. Shiels was Premier held office in 1892, and the budget statement of his Treasurer, Sir Graham Berry, revealed how the Customs revenue was diminishing under reduced imports, partly due to borrowing having been stopped and partly to the operation of prohibitive duties. The Treasurer had to admit an accumulated deficit of £1,500,000, with at least another £500,000 at the debit of the "Land Sales by Auction Fund," representing expenditure incurred in anticipation of the sale of specific lands set

aside to recoup it, but now unsaleable. He estimated a revenue for the year of £8,000,000, which was decidedly optimistic, for the actual receipts were under £7,000,000. To ensure his estimate he proposed an increase in the stamp duties, postal rates and probate duties, calculated to bring in £290,000. In addition he submitted a list of increased Custom duties, estimated to produce £625,000. These latter ranged from 20 to 35 per cent., in case of furniture the duties were from 35 to 50 per cent. It was quite plain to any business man, that in the depressed condition of trade these expectations were illusory. Indeed, the result showed that on the articles selected for taxation there was received £600,000 less duty than they produced in the previous year at lower rates. Sir Graham's ideas were not based on mercantile knowledge, but on the dominating belief that the higher he could pile on protective duties, the nearer he approached prosperity. Only one item in his statement gave general satisfaction, and that was a promise to abstain from any fresh loans except for redemption purposes. He was no longer the ready resourceful Berry of former days. His honours and his dignified London schooling had alienated him from the sympathies of the masses, who had been wont to roar their approval of his oratory. His fellow-members openly derided in the House his financial nostrums. He had forfeited the confidence of the colony's bankers by an attempt to tamper with a loan agreement at a critical moment. It did not add to his popularity that while devising this fresh taxation he was drawing £1,000 a year as a liquidator of the bank of which he had been chairman in London. With so unpopular a Treasurer, who believed increased taxation preferable to retrenchment in expenditure, Mr. Shiels found himself unable to make any headway towards what the public demanded—the restoration of financial equilibrium. What with the long-drawn-out debate on the budget, the tedious revision of the tariff in committee, retrenchments in Civil Service salaries, and a month spent over railway construction proposals which mostly came to naught, the session left no work worthy of permanent record. A very heated controversy arose out of the Ministry having suspended the Railway Commissioners on the 17th of March upon the ground that those gentlemen had refused to co-operate with the Government in a policy of economy.

Parliament assumed that there had been faults on both sides, and the public conscience was satisfied with a compromise by which the suspension was withdrawn, formal resignations accepted, and substantial compensations voted to the Commissioners for the loss of their well-paid office. It is quite possible as alleged that these officials had become demoralised in the view they took of their duties during the Gillies-Deakin era of extravagance; but the surrender of the principle, which Mr. Service had established, of independent management of this important source of the colony's revenue courted disaster. The professional expert may have come far short of what was expected of him, but the relapse of control into the hands of astute Parliamentarians accentuated the hopeless muddle and the growing financial loss.

In addition to these troubles the Premier was oppressed by numerous cabals and the knowledge that his colleagues, with one or two exceptions, were regarded as exceptionally feeble, even for a scratch team. There had been fierce bandying of charges against the Government for not rushing into the Criminal Courts in prosecution of the Directors of failed companies on *ex parte* statements. The propriety of Mr. Munro representing the colony in London, while responsibly connected with so many failed institutions, had been angrily discussed. A considerable party, desirous of getting rid of Sir Graham Berry out of local politics, urged the recall of Mr. Munro, and the return of the Treasurer to his old post. Finally, Mr. Shiels, who was not of the robust order, found himself unequal any longer to the strain of office, and wished to resign. When this became known renewed efforts were made to induce Mr. Service to transfer his field of action from the Council to the Assembly, and to lead a fresh coalition. On the plea of advancing age and declining health, Mr. Service remained obdurate, and the Opposition became restless. They recognised that if they allowed Mr. Shiels to resign at the close of the session there might be some sort of reconstruction, probably with Sir Graham Berry as Premier. So it was decided to bring matters to a direct issue, and Mr. J. B. Patterson led the assault. His indictment was decidedly weak, and the complaints he voiced, avowedly on the score of economy, against the appointment of Dr. John Madden as Chief Justice and Professor Pearson as Secretary

to the Agent-General did not impress the House. But the demand for a change was eager, and he carried his no-confidence motion by three votes. Mr. Patterson, as Premier, took upon himself the duties of Chief Secretary and Minister of Railways. Mr. Godfrey Downes Carter, though new to Ministerial office, took charge of the Treasury, and the Law Officers were Sir Bryan O'Loghlen as Attorney-General and Mr. I. A. Isaacs as Solicitor-General. As a whole the Cabinet was a somewhat incongruous mixture, comprising Free Traders and Protectionists, Orangemen and Home Rulers, one-man-one-vote men and at least two outspoken supporters of the dual vote. Mr. James Brown Patterson, who was knighted during his Premiership, had the reputation of being a strong and able man. He had administered the Railway Department a dozen years previously with a vigorous attention to duty that raised up some feeling against him amongst the workers. His prompt action during the great strike of 1890, when he was Minister of Public Works, had made him obnoxious to the labour party. Self-educated and self-helpful, he had passed through stages of gold digging, farming and cattle dealing, and had carved his way to the head of the State without any adventitious aids. He showed something of his strong will by resisting the desire of a majority of the Cabinet that Graham Berry, who had taken up the leadership of the Opposition, should be reappointed Agent-General. Finally, he carried his own purpose into effect by persuading Mr. Duncan Gillies to accept that post, though that gentleman had a great reluctance to quit even for a time the local politics in which he had continuously moved for thirty years. But the stress and strain of the financial crisis, which reached its acute stage within three months of Mr. Patterson assuming office, was too much for him, and his often quoted utterance, "we are all floundering," shows how the unwonted circumstances and their serious possibilities caused him to lose his grip of the helm. Unfortunately, he had no "still strong man" associated with him, or at any rate none conversant with financial affairs. His Treasurer was essentially a man of many words and few deeds, and although he was a Bank Director, he lost his head at the critical moment, even more confusedly than his chief.

The basis of the charge against the Shiels-Berry Ministry had

been that they lacked courage to reduce the expenditure. It was notorious that, while borrowing was possible, Ministers were afraid to offend the democracy by temporarily suspending public works, or even unprofitable railway construction. The new Ministers, while Parliament was yet reverberating with their denunciations of Mr. Shiels, were equally paralysed when they clambered on to the Treasury benches. The London capitalist had apparently closed his doors, but Mr. Carter promptly appealed to the local market and raised a loan of £750,000 on Treasury bills, just a few days before the bank suspensions, and with this credit in hand the Government at once proceeded with much avoidable expenditure. Yet the position was truly alarming and demanded drastic action. For the year ending 30th June, 1893, the public revenue was £6,960,000; the expenditure was £7,990,000, and this huge deficit, augmented each year up to 1896, brought out by that date an accumulation of unfunded debt amounting to £2,650,000. Proposals for an income tax were rejected, and during the twenty-one months of the existence of the Patterson Ministry the main efforts of his Government were directed towards retrenchment in the public expenditure. The falling revenue, however, kept pace with the savings, and the total deficit continued to accumulate, though the rapidity of its growth was checked. While unable to restore financial equilibrium, Sir James Patterson's retrenchment policy reduced the deficit of over £1,000,000 in 1893 to one of £590,000 in 1894. Practically the whole of this saving was effected in salaries and wages in the Civil Service and Railway Department, and it not unreasonably evoked a strong feeling of hostility amongst those who considered themselves unfairly singled out to pay the penalty of universal extravagance. It came upon them at a time when hundreds were groaning under the burden of calls in failed or reconstructed companies, and when most of the thrifty among the wage-earners were lamenting the locking up of their savings in unproductive enterprises. No doubt the service was greatly overmanned and certainly contained a number whose perfunctory duties were performed at a cost out of all proportion to their value. But an equitable weeding of the service and readjustment of duties on a business-like footing required not only time, but a capable and thoroughly independent man, or body of men, which

the Government had been unable to find from the days when Mr. Service appointed the Civil Service Board down to the present time. It was an easy matter to strike off a percentage reduction from the pay of good, bad and indifferent alike, and the result could be quickly shown. So, like the rain from heaven, the blow descended upon the just and the unjust alike, because discrimination meant delay, and the country clamoured for "something being done".

Fortunately, these trying years of public finance were robbed of some of their terrors by the bounty of Nature, and the harvests of 1892-93 were abundant. In the same year a forward movement was shown in the produce of the gold mines, after long years of decrease, and this encouraging feature happily continued until the close of the century.

On the 28th of August, 1894, the Patterson Ministry was defeated by a majority of four, on a want of confidence motion tabled by Mr. George Turner, who had been Commissioner of Customs and Solicitor-General in the previous administration. The defeat was largely due to the unsatisfactory budget proposals of Mr. Carter, the Treasurer, who, finding that the revenue for the year had fallen £850,000 short of his estimates, submitted some very unpalatable forms of increased taxation, chiefly through the Customs. In proposing an income tax, estimated to bring in £250,000 a year, he adopted quite an apologetic tone, and explained that personally he thought it desirable to show the English creditors that Victorians "are in earnest, and are not going on accumulating a deficiency, without making provision for its payment". Nevertheless, his speech seemed to imply that if there was any serious opposition the Government would not press the proposal. Sir James Patterson was not a man to take defeat as a matter of course. He managed to satisfy Lord Hopetoun that the smallness of the majority indicated a snatched vote, and that there was no cohesion or unity of purpose in the Opposition that would justify him in looking there for an acceptable administration. The appeal to the country on 20th September elicited an emphatic denial of these contentions, and a condemnation of the ministerial policy and supporters. The rout was almost as complete as in the celebrated Berry campaign against Service in 1880. Eighteen months before, Sir James Patterson had

been hailed everywhere as the man of action who was to awaken the country from the lethargic spell of Messrs. Shiels and Berry. He was urged to "do something to restore the finances," but the something which he had done left him hosts of enemies in the public service, and when they combined with a public dissatisfied with the taxation proposals, the end came.

Mr. George Turner, who took charge of the Ship of State in September, 1894, had a long and honourable tenure of office, far in excess of any previous Minister except Sir James McCulloch. He retained an uninterrupted charge of the country's affairs for upwards of five years, and then, after a displacement of eleven months by the McLean Ministry, he resumed office in November, 1900, only to retire when called upon to take his place in the first Commonwealth Ministry. He was a man of cheerful and equable temperament, tactful, hard-working and with a strong fund of common-sense. A solicitor by profession, he had graduated through municipal service into Parliamentary life, and soon proved himself a welcome addition to the ranks of those rare silent workers who are satisfied to let their deeds speak for them. In 1897 he was invited by Mr. Chamberlain, in company with the other Australian Premiers, to take part in the unique demonstrations in London which celebrated Queen Victoria's Diamond Jubilee. In connection with this visit he was made a K.C.M.G., appointed a Privy Councillor, and received other flattering distinctions, arising out of the enthusiasm with which at this time the Colonies were regarded. His Cabinet was a fairly strong one, having for Attorney-General Mr. I. A. Isaacs, who had been one of Sir James Patterson's Law Officers, but seceded from that Ministry on account of a difference with Sir Bryan O'Loghlen on a question of Government prosecutions in connection with some of the financial scandals. Sir Henry Cuthbert, a member of the Upper House, was Solicitor-General, and to another member of the Council, Mr. Wm. McCulloch, was confided the charge of the Defence Department. Mr. A. J. Peacock was Chief Secretary; Mr. R. W. Best, Minister of Lands; Mr. John Gavan Duffy, Postmaster-General; and Mr. H. R. Williams, Minister of Railways, the latter having been a member of the Berry Cabinet in 1880.

At the opening of the sixteenth Victorian Parliament on 4th

October, 1894, Sir Graham Berry was elected Speaker, a judicious step which greatly conduced to political peace. There were really no clearly defined party issues, and although a strong Opposition is necessary to keep a flagging Ministry up to the collar, there seemed to be no special call for their services just then. Indeed, with Sir Graham provided for, there was no one on those benches who desired the responsibilities of power, until the Treasurer had put the finances straight. And in a very short time opinion solidified throughout the country that Sir George Turner was the man to do it. Even his opponents in the press, while deriding his political views and his apparent submission to the demands of the labour corner, were compelled to admit that he had banished from the Treasury the Micawber-like attitude of some of his predecessors. It was not a pleasant office, and it was not work to boast about, as Sir James Patterson had done. Without any assistance from an improving revenue, but simply by keeping a strict control of the expenditure and turning a deaf ear to deputations, he gained his point within three years. The national balance-sheet on the 30th of June, 1897, showed that the revenue for the year then closed had exceeded the expenditure by £61,000. This was the first arrest of the huge deficiencies of the preceding six years, which had by this time accumulated to a total of £2,711,000. From that day forward the expenditure again commenced to rise, but any increase was more than balanced by a growing revenue. This in turn was largely due to improved railway earnings, and general activity in business operations influencing the Customs and stamp duties. In each year to the date of his retirement the Treasurer managed to show a substantial balance to the good, but he had introduced an income tax in 1894, and it is curious to note that in the last three years of the century that impost just provided the amount of his declared surpluses.

The principal legislation of Sir George Turner's Ministry is too recent to be judged by results. A very important revisal of The Companies Act, in the light of the base uses to which it had lately been perverted, was passed in 1896, after long and earnest consideration by a Select Committee. There were many variations, additions and amendments of The Factories Acts, but all of a ten-

tative character, and so far finality has not been reached; one section of the community contending that they are destructive of business enterprise, and another that they fall far short of the desired State Socialism, which is to render the working man's lot happy and contented. Perhaps the most important measure discussed, apart from the overwhelming demands on members' time by the Federal movement, was the Land Act of 1898. It adopted, somewhat too late in the day, the principle of classification, dividing the whole of the unsold Crown lands into four qualities, ranging down to 10s. per acre for the poorest, which could be paid for over twenty years at the rate of 6d. per acre per annum. Certainly if the possession of a piece of land was the key to prosperity, as was so repeatedly declared, here was every facility for honest poverty to acquire an estate, in a country where labourers were in demand at 7s. a day. For those who could not command even this attenuated capital, there was provision for perpetual leasing, at a rental varying from 1¼ to 2½ per cent. on the Government valuation of the land, subject to revision at the end of every ten years. Sale by auction, under certain conditions, was revived, and finally power was taken for the Government to repurchase alienated lands, and cut them up into farms for the purpose of closer settlement in agricultural districts. Unfortunately, the unsold areas were not very attractive, and, except in the Mallee districts of the North-west, the provisions of the Act did not tend to any large increase of settlement.

The real cause of failure to realise expectations was, however, of more serious bearing. It was to be found in the decreasing population of the colony. During the last five years of the century, although the totals shown by the Statist's returns disclosed a slight actual increase, it did not amount to one-fourth of the natural increase by births over deaths. In round figures it meant that from 1895 to 1900 Victoria lost 75,000, mainly able-bodied adults, by emigration, whose place was taken for census purposes by a rather larger number of children under the age of five years. This loss of its working power, and the substitution of dependent consumers, was indeed the one adverse factor in estimating the future prospects of the colony. It has unhappily remained so in the opening years of the new State, and it is chiefly by breaking down the obstacles which have been

erected by a selfish and mistaken opposition to immigration that the full development of Victoria's resources can be looked for.

The first gleam of sunshine penetrating the gloom that had hung over the colony since 1891 was the restoration of the financial position in 1897. Concurrently with the satisfactory feeling of living within one's means, a hopeful tide of improvement set in, which, aided by the bounties of Nature, restored confidence in the future and an energetic attack on the present. The harvests of 1895-96 and 1896-97 had been sadly deficient: the supply fell short of local consumption and the community suffered from dear bread. The summer of 1897-98 was all that could be desired, and a grand harvest restored all deficiencies and left a substantial surplus for export. The following season, however, 1898-99, transcended all previous experience in Victoria, and produced nearly 20,000,000 bushels of wheat, and other crops in proportion. The value of wheat and butter exported in 1899 exceeded £3,000,000, and a cheerful optimism pervaded all classes. There had been two or three years of disastrous drought in New South Wales and Queensland, but so far it had not seriously affected Victoria, and the havoc it subsequently wrought amongst her Mallee settlers was unanticipated.

There was little of political interest in those closing years outside the absorbing topic of Federation. The general election of 1897 was notable for the efforts made by the extreme radicals and the labour party to defeat Mr. Gillies, who had just returned to the colony, Mr. Murray Smith, Mr. Frank Madden and other prominent members of the constitutional party. In every case they were unsuccessful, and Sir George Turner, who had put forth a moderate manifesto, abandoning the radical demand for a State Bank, a land values tax, and the referendum, was enabled to meet the new Assembly under far less domination from the Opposition corner. Amongst the prominent men rejected at the polls was Sir Graham Berry. The emoluments of office enjoyed for so many years had not provided him with a competence. He had outlived the frothy acclamation of the masses, and though he was still the "old man eloquent," his appeal awakened no responsive echo. Soon after Parliament met some of his old associates urged a Government pension for him. The Premier prided himself on having saved the State very large

sums by his resistance to pensions and compensations. The unhappy position of the late Speaker contending with old age, broken health and poverty touched him, and he brought in a Bill to provide the required income, by deducting £5 per annum from the salaries of all members, and £10 from Ministers. The debate on this proposal was lengthened, and evoked some strong expressions of opinion. Even the Cabinet was equally divided on the question. The conservative party, including all Berry's former opponents, were ready enough to contribute their £5, but on the express understanding that they were moved thereto by compassion, not by admiration of past services, which they contended were exclusively of a party character. Mr. G. D. Carter suggested that if the alleged number of Sir Graham Berry's admirers was reliable, the great party which he was wont to lead could by a subscription of 1s. a year each provide him with every luxury. It remained for the labour party to emphasise the objection to putting their hands in their pockets for a man who had certainly sacrificed many interests to theirs. Mr. Hancock, the accredited member for the Trades Hall interest, said: "If this gentleman has performed great services to the State, the State should recognise those services in a proper way". It must have grated harshly on Sir Graham's feelings to find the "if" coming from such a quarter. The Assembly rejected Sir George Turner's Bill by forty-four votes to forty-one. Mr. Trenwith, another labour member, moved that the money be provided from the public revenue, and this resulted in a considerable changing of sides, but was also rejected, by forty-five votes to forty-one. Later on, by the tactful intervention of the Premier, a compromise was effected, and finally the House authorised the Government to spend £3,100 in purchasing an annuity of £500 a year for the veteran whom the people had dismissed. It was rather a sordid ending to the career of a man who had so often successfully appealed to what he was wont to call "the great heart of the people," and it was not made less so by the Premier's declaration that provision had been made "to prevent the money from being taken away from him and to prevent him from parting with it".

In March, 1895, Lord Hopetoun took his departure, greatly to the regret of the whole community. It was an unhappy year, before

any material recovery had been made from the financial disasters. Indeed, the whole period of his stay had been marked by anxiety and depression, and he saw Victoria under a far less favourable aspect than his immediate predecessor. After a considerable interval, during which his office was filled by Sir John Madden, Lieut.-Governor and Chief Justice, his successor, Lord Brassey, arrived on the 25th of October, 1895. He came out from England in his famous yacht, *The Sunbeam*, about which much interest had been aroused by the first Lady Brassey's spirited account of its cruises. He had an uneventful term of office, and was a witness of the gradual return to a more prosperous condition of affairs, and to the virtual completion of the Federal compact, though he left before its final inauguration. He sailed away in *The Sunbeam* on the 13th of January, 1900, and once more Sir John Madden assumed the administration for a lengthened period. The coming Federation was the absorbing interest of the last year of the century. Under the glowing anticipations which it aroused, local politics ceased to stir much excitement. Even the temporary defeat which Sir George Turner sustained at the hands of Mr. McLean, who at the outset had been a member of his Cabinet, was regarded almost with indifference, as a mere shuffling of the political cards.

The seventeenth Parliament ran its full term, and was dissolved on the 18th of October, 1900. A general election followed, and the new Assembly met on the 13th of November. On the following day Sir George Turner carried an adverse vote upon the policy of the McLean Ministry by fifty-one to forty-two. The close of the century found him once more Premier and Treasurer, calmly awaiting his call from the arena of State politics to be included in the first Commonwealth Ministry, the selection of which was unconditionally in the hands of the Governor-General.

CHAPTER XI.

THE COMMONWEALTH—RETROSPECT AND PROSPECT.

On the evening of Monday the 31st of December, 1900, the sun set for ever on the Colony of Victoria. The morning of the 1st of January, 1901, dawned on a new year, a new century, and a new political community. Fifty years had elapsed since the close of the struggle that freed the Port Phillip district from its dependency upon New South Wales. That half-century had witnessed many stirring episodes in the assertion of democratic principles, many tentative fiscal experiments, and a vast development of organisation amongst the masses, which threatened to take all the initiative out of Parliament, and to reduce it to a mere reflex of the popular will. It had been a period too of keen and petty intercolonial jealousies. Unprofitable railway tariffs were designed to snatch traffic from the borders in a spirit of rivalry; scores of Custom-house officers prowled upon the frontier; quarrels over riparian rights hindered beneficent schemes of irrigation; and a general attitude of standing on the defensive had given acerbity to many Parliamentary utterances. But now all was to be changed. The piping times of peace were to replace the days of tariff wars, and all the Colonies, raised to the dignity of States in a vast Commonwealth of mutual interest, were to sink every difference, and present only to the outside world that defensive front they had hitherto shown to one another.

The first day of the new century was a day to be remembered in Australia, especially by the younger generation. It was appropriately in Sydney, as the capital of the mother-colony, that the great pageant of the inauguration of the Commonwealth took place, with a splendour and completeness that was the admiration of visitors from all parts of the world. In Melbourne, too, with its

daylight dressing of endless banners, its evening efflorescence of illuminations, and the holiday aspect of its crowded streets, there were general expressions of satisfied delight at the result achieved. Salvoes of artillery, the blare of trumpet and the roll of drum—even the pealing chimes from many church steeples—all seemed to stimulate the newly awakened feeling of an Australian patriotism.

Great things were prophesied to follow this first act in cementing the bonds of brotherhood. Apart from the elevating influences on the national character which might be expected to follow the welding of half a dozen insignificant communities into something very like real nationhood, there were pledges of reforms which took less heed of sentiment. Enormous savings were to be effected in the preposterous expenditure on six separate Gubernatorial and Parliamentary establishments; in sweeping away all customs and other intercolonial barriers; and in consolidating the formless mass of State debts into an enticing, but low interest-bearing Australian consols. Above all, it was fondly believed that the supreme Parliament would comprise the pick of the wisest and most statesman-like representatives to be found throughout the Dominion. Men animated by the highest principles, jealous for the honour of the high position to which they had been called, and emancipated alike from the tricky methods of party politics and the sordid aims of a petty localism. How far these elated hopes were justified it is for others to discuss; they pertain not to the annals of the Colony of Victoria.

When the Federation of the Colonies became an achieved fact, many claimants arose for the honour of having originated the idea, of having brought it within the range of practical politics, or of having given the final touches that ensured success. A brief *résumé* of the facts, most of them within the recollection of the present generation, is all that need be attempted here.

The genesis of Federation, however, starts from a much earlier period. As far back as April, 1849, the British Board of Trade strongly urged upon the Government that, in dealing with the then pressing questions of the separation of Port Phillip from New South Wales, a House of Delegates should be established, to consist of twenty members elected by the Parliaments of the

Australian Colonies, mainly with the object of securing uniformity in their respective tariffs. It was recommended that this body should be given entire control of all matters relating to legal jurisdiction, customs, harbours, shipping, coast-lighting, carriage of mails, and the formation of roads or railways traversing more than one colony. It was to be called into action by the Governor of New South Wales, who in this connection was called "Governor-General," from time to time as its services might be required. There was a delightful vagueness about responsibility and finality in the position of the delegates that was at once apparent to the experienced politician, and although Lord John Russell embodied the conditions in his first Bill, they were so strongly assailed by Mr. Gladstone that he promptly withdrew them.

For a while the idea slept, the discovery of gold in Australia having driven all constitutional questions into the background. In 1853, when a Select Committee of the Legislative Council of New South Wales was formulating a new Constitution for that colony, Mr. Wentworth declared that the establishment of a General Assembly to make laws in relation to intercolonial questions and to have the control of tariffs and some other matters had become indispensable and ought no longer to be delayed. The Committee urged that the Secretary of State should introduce a Bill into the Imperial Parliament at once, so that the machinery might run concurrently with the revised Constitution then before the Commons. Lord John Russell was polite, and apparently sympathetic, but he had not forgotten his former rebuff. He said he thought the time was hardly ripe for Imperial action, though he declared that the Queen's Government would give the most serious attention to any federal proposals which might emanate concurrently from the respective Legislatures. The desire of the British statesman to avoid provoking jealousies and to ensure the uniform consent of all the Colonies was a wise one, but the conditions were far more difficult of fulfilment than he could have anticipated. For nearly half a century feeble debates, selfish protests and demands based on the narrowest provincial ideas, dragged on their tedious course, and Lord John had been dead

and forgotten for a generation before Australia was able to realise the apparently simple conditions he had set before them. During that long period many efforts were made to revive interest in the question, sometimes by really capable men. But the inertia of the mass of mediocrity, and the prevalent type of politician that measured every suggestion of progress by its effect on the Treasurer's budget, were generally sufficient to turn the current of their aspirations awry.

In March, 1857, an important association in London, representing all the leading mercantile interests in the Colonies, addressed a memorial to the Secretary of State, with a draft "Bill to empower the Legislatures of the Australian Colonies to form a Federal Assembly". It was a very simple piece of proposed legislation hardly worth disinterring, except for the fact that it so early recognised those jealousies which have since been such a ridiculous feature in respect to the place where the Federal Parliament should sit. To avoid the anticipated contention it was suggested that it should be "perambulatory," and, in mitigation of the same jealousy, the number of members was proposed at four from each colony irrespective of area or population. Mr. Labouchere, who was then Colonial Secretary, was chillingly unresponsive. While promising to send copies of the memorial and draft Bill to the Governors of the several Colonies, and to give his consideration to any suggestions received in reply, he did not disguise the fact that his own mind was made up. He could not believe that the Colonies would entrust such large powers to an Assembly so constituted, or consent to be bound by laws imposing taxation, as in tariff arrangements. Even if they gave a consent at first, he felt sure it would eventually lead to discontent and dissension. Therefore, he would not take the responsibility of introducing the Bill, unless his advice from the Colonies convinced him that there was a reasonable prospect of its working satisfactorily.

While this correspondence was in progress Mr. Charles Gavan Duffy took up the cause in Victoria, and early in 1857 he proposed in the Legislative Assembly the appointment of a Select Committee to consider the necessity of Federation and the best means of bringing it about. He got an excellent committee, including O'Shanassy,

Childers, McCulloch and Michie. Mr. Duffy was appointed chairman, and soon showed his colleagues that he had no idea of being, like Wentworth, a suppliant to the British Parliament. His affection for that estate, which he had once temporarily adorned, was probably not great, and he gave it a gentle kick by declaring that "a negotiation demanding so much caution and forbearance, so much foresight and experience, must originate in the mutual action of the Colonies, and could not safely be relegated to the Imperial Legislature". The committee carried resolutions through the Victorian Parliament, inviting the Legislatures of South Australia, New South Wales and Tasmania (Queensland was not yet born) to select three delegates each to meet three from Victoria, and in conference to frame a plan of Federation to be afterwards submitted for approval to their respective Parliaments. To avoid the dilatoriness characteristic of such bodies, the delegates were required to interchange their ideas in writing within a month of their appointment. The preparations were admirable, the results were nil. South Australia and Tasmania promptly responded and named their delegates. The Legislative Council of New South Wales appointed a Select Committee to inquire, and the report it brought up was strongly in favour of joining hands. But it met with a cold reception in the Assembly; partly because Wentworth, who had made Federation his cause, had many enemies there, and partly from a petty feeling of resentment at Victoria calling a conference on a subject which had already been discussed in the mother-colony. Finally, the Legislative Assembly was dissolved without having dealt with it. The Victorian committee made a few half-hearted attempts to revive interest in the matter during 1860, but eventually it dropped out of existence and was forgotten.

Ten years passed away, during which period many ministries rose and fell in Victoria, but they all found the struggle for existence too severe to let them meddle with anything that could be put off. In 1870 a Royal Commission sat for some time in Melbourne and brought up a report strongly in favour of Federation. But Sir James McCulloch was just then getting tired of colonial politics, and he took himself off to England without dealing with the recommendations. His successor in office, Mr.

C. G. Duffy, despite his claim to be the originator of the movement, had too many other things to occupy his mind, and the supposed aspirations of the people were ignored for another decade.

Then Sir Henry Parkes came once more to the front. He had attended a meeting in Melbourne as far back as 1867, and spoken eloquently for union. At an intercolonial conference, which began in Melbourne, and closed in Sydney in January, 1881, that veteran statesman submitted the draft of a Bill to establish a Federal Council which was described as "a mixed body partly legislative and partly administrative, the forerunner of a more matured system of Federal Government". Sir Henry was careful to declare that the time had not yet come for the construction of an Australian Federal Parliament. He was satisfied, however, that what he proposed would lead the colonists in the direction of Federation, and by accustoming the public to the idea would lay the foundation for such a form of Government. The limitations with which the proposed Council was hedged round were so severe as to render it doubtful whether it could be of much use. When it came to the vote only New South Wales and Tasmania were satisfied. South Australia gave a qualified assent, but Victoria, Queensland and New Zealand declined to entertain it. Many years afterwards, in his autobiography, Sir Henry Parkes admitted that he had made a mistake in submitting this Bill, which on maturer consideration he recognised must have proved abortive on trial. As showing the somewhat indefinite attitude of this great political leader towards the topic of the day, it is worthy of note that in October, 1879, Sir Henry contributed a glowing article to *The Melbourne Review*, in which he strongly advocated the union into one political state of the three Colonies of New South Wales, Victoria and South Australia. Not a federation, but unification with one Parliament, the Lower House to consist of 200 members, the Senate of 100. He waxed eloquent over the superlative destiny he anticipated for what he proposed to call "British Australia," but the stolid community did not rise to the occasion, and the path of glory was missed.

On the 14th of June, 1883, a renewed interest in this question was aroused by a vigorous speech delivered by Mr. James Service

at Albury, at the banquet which celebrated the opening of the through line to Sydney. The time was opportune. It was then realised that if the whole of Australia could have spoken with one voice, there might have been a much more satisfactory outcome of the New Guinea annexation episode, of the claims to the New Hebrides and adjacent groups; and a more determined stand on the récidiviste question. A few months later Sir Thomas McIlwraith, the Premier of Queensland, proposed a convention of delegates to consider a basis for Federation. Mr. Service, who took the matter up warmly, offered to act as convener, and on 4th December, 1883, the conference was held in Sydney. All the Australian Colonies and Fiji were represented. The delegates of New South Wales were Mr. Stuart, the Premier; Mr. Dibbs, the leader of the Opposition; and Mr. Dalley, the Attorney-General. Victoria sent three Ministers, Messrs. Service, Kerferd and Graham Berry. The sittings lasted ten days, and resulted in a draft Bill for the establishment of a Federal Council being approved. The delegates pledged themselves to recommend their respective Parliaments to address Her Majesty, praying that an Imperial statute might be enacted to give effect to the views embodied in the measure submitted. This undertaking was not properly carried out. In New South Wales the Assembly rejected the proposed address to the Queen. New Zealand would have none of it. South Australia was only half-hearted. The Imperial Parliament after many delays dealt with the Bill, and early in 1885 empowered the consenting Colonies to form the Council. Some months were occupied in getting the necessary local legislation passed to give effect to the Imperial statute. Prolonged debate and much apparently aimless opposition were finally surmounted by the ardour with which Mr. Service took up the question, and the Federal Council was opened in Hobart on the 25th of January, 1886.

Only four Colonies signed the muster-roll. Victoria was represented by Mr. Service, the Premier, and Mr. Graham Berry, Chief Secretary. Queensland by Mr. S. W. Griffith, Premier, and Mr. Dickson, Treasurer. Tasmania by Mr. Adye Douglas, Premier, and Mr. Dodds, Attorney-General. Western Australia by Sir James Lee-Steere, President of the Legislative Council. At the last

moment greatly to the disappointment of the other delegates, South Australia decided to stand out. Mr. Service was unanimously appointed chairman, but it was soon realised that so long as the Council represented scarcely one-half of the population of Australasia, it could only be a deliberative body practically helpless to carry out its own decisions. It held half a dozen bi-annual sessions, and dealt with several matters of intercolonial, and even international importance, but the expectation of its founders that its powers would be enlarged in course of time, by natural accretion and growing sentiment, were not realised. The keen opposition of New South Wales, and the contempt with which Sir Henry Parkes derided the Council's claims, gradually alienated public sympathy, and when the strong personality of Mr. Service ceased to be associated with its deliberations, its anticipated influence grew more visionary and it finally succumbed to popular indifference.

Some three years after the first meeting of the Federal Council Sir Henry Parkes once more intervened. He was stirred to action by a Report on the Defences of the Colonies recently submitted by Major-General Edwards, an expert sent by the British War Office to investigate the position of the local forces. In October, 1889, Sir Henry wrote to Mr. Gillies, Premier of Victoria, on this defence question, and suggested a "national convention" for the purpose of devising an adequate scheme of Federal Government. While he thus lightly ignored all that had gone before, his correspondent had a much more lively sense of the weary meetings that had resulted from previous invitations to talk at large. Therefore, Mr. Gillies besought Sir Henry to join the Federal Council, and work from that established basis, enlarging and uplifting it. But the veteran could hardly stoop to associate himself with an institution he had continuously denounced as abortive, so he declined, but continued to press his original application until Mr. Gillies gave way, and the Federation Conference of 1890 was held in Melbourne on the 6th of February. It comprised the leading members of the Ministries of all the Colonies, and the result of its deliberations was a resolution to recommend to their respective Parliaments the appointment of a "National Australasian Federation Convention," to be held in Sydney early in the following year.

The six Australian Parliaments were arenas of very lively discussion for some months afterwards, but in the end they each selected seven picked men to represent them, in each case including the head of the Government and some members of his Cabinet. The forty-two delegates—reinforced by three from New Zealand who were practically dummies—met in Sydney on the 2nd of March, 1891, and promptly elected Sir Henry Parkes to rule over the debates. The official record of the proceedings, which extended over five weeks, fills a stout folio volume of nearly 700 pages. The details of the necessary legislation were dealt with by some of the foremost legal authorities in Australia. Many of the speeches are worthy of preservation as notable specimens of political oratory, and, on the whole, the debates showed a firmer grip of the position than any that had gone before. A vague sentimental abstraction was being gradually transformed into something with a practical basis. But with all the ability brought to bear on the question, and despite the exceedingly able draft of a Commonwealth Constitution Bill by Sir Samuel Griffith, Premier of Queensland, the labours of the convention were utterly wasted. The draft Bill, about which congratulatory notices had been cabled from England, was actually rejected by the Legislative Assembly of New South Wales. It struggled through the Victorian Parliament, with some amendments, but in view of what had happened in Sydney, the other Colonies had no heart to proceed. Thus a comprehensive and costly effort was paralysed, and a condition of torpor once more prevailed.

So far, it would almost appear as if the discussions on this subject had been of the academic order. They had originated with prominent politicians like Wentworth, Duffy, Parkes, Griffith, Service, and other lesser lights, and had all failed at close quarters on some grounds which, however carefully disguised, were really the outcome of either personal rivalry or intercolonial jealousy. It was evident that the only hope of success lay in the direction of infusing into the discussion the influence of national sentiment. The population as a whole had displayed but little interest and no enthusiasm. The few thousands who attended meetings were loud in cheering abstract ideas of Federation, but the meetings were not

the spontaneous expression of a demand. They had to be worked up by the usual political methods. An examination of the nature of the population of Victoria in 1891 will throw some light on the position. Of the 1,140,000 persons shown by the census of that year, close upon 800,000 were of colonial birth, slightly over 300,000 were emigrants from Great Britain, the remainder were foreigners, of whom only a few hundreds were naturalised. There had recently grown up in Victoria a widely extended association of the native-born population, originally formed for mutual benefit purposes, combined with social and literary cultivation. Though disclaiming any intention of interfering in party politics, they soon began naturally to show a preference for the return of native-born politicians. In the frequent elections to the Legislature they exercised an influence which seemed to threaten the claims of the old pioneers to public life.

The Australian Natives' Association, as it was called, awakened amongst its members the hitherto dormant sense of patriotism, and they came to regard the petty intercolonial jealousies with a scornful dislike as savouring too much of parochialism. They early lent their influence to union as against competition, and they largely provided the national sentiment that was necessary to make it a success. In 1894 this body organised a meeting at Corowa, a small town on the Murray, and there it was resolved that Federation could only be brought about by the people taking up the question themselves, and not relegating it to the various colonial Ministries. To this end it was recommended that a convention should be held of representatives of all the Colonies, not as hitherto selected by Parliament from among its own members, but elected by a direct vote of the whole adult male population. Other meetings, organised by the same association, followed, and it soon became apparent that a large section of the population was at length in real earnest. Mr. G. H. Reid, who had succeeded Sir Henry Parkes as Premier of New South Wales, was the first to note the altered feeling, and he took definite action. Taking advantage of the meeting of the Federal Council in Hobart in February, 1895, he summoned a conference of all the Australian Premiers to meet him there. The result was the adoption of a draft Federal Ena-

bling Bill, which provided for the holding of yet another Federal Convention, consisting of ten delegates from each colony, to whom was to be entrusted the framing of a Federal Constitution Act. The Enabling Bill was promptly passed by all the Australian Parliaments except Queensland, but New Zealand rejected it. The delegates were elected by each colony voting as one constituency. The result in Victoria was rather surprising, the extreme radical party carrying all their nominees to the exclusion of several admittedly able candidates on the Conservative side. In the other Colonies there was a fair admixture of both parties. The convention opened its proceedings in Adelaide in March, 1897, and its work extended over a whole year, sittings being held in Sydney and Melbourne. At the latter city the draft Bill for the Federal Constitution was finally adopted on the 17th of March, 1898. The lengthened debates and the details of the constitution travel beyond the annals of Colonial Victoria. It is only necessary to record the final steps that brought it into existence. The popular vote was taken in the consenting Colonies on the 3rd of June, 1898, and resulted in 214,038 votes being cast for Federation and 106,859 against it. There had unfortunately been inserted a condition that irrespective of any recorded majority New South Wales was not to be bound unless at least 80,000 of her own people voted in favour. The ayes only totalled 71,472, and although the actual majorities were everywhere very pronounced, it looked as if an *impasse* had once more been reached. The scene of contention was mainly confined to New South Wales and Queensland, the other Colonies declining to discuss any alterations in a Bill already submitted to the popular vote and sanctioned by such large majorities. A whole year passed away in negotiations, and finally New South Wales was coaxed into the fold by somewhat generous concessions, the principal one being of a rather sordid character in the form of a pledge that the proposed Federal capital city should be built within her borders. These alterations necessitated another plebiscite. It was taken in July, 1899; New South Wales obtained the statutory number, and the other Colonies reaffirmed their previous decision with increased majorities. It is worth recording, however, that even in Victoria, where the enthusiasm for Federation was certainly highest, fully

100,000 electors, quite one-third of the number on the rolls, did not take the trouble to record their votes. It is true that in Victoria the majority was so pronounced, 152,600 to 9,800, that the people may have considered effort unnecessary. Yet it was the first case in the history of Australia where the people had been directly called upon to decide a very important step. Regarding the heavy minority vote in some of the other Colonies, it is only fair to add that a large number of those who cast it were not opposed to Federation in the abstract, but dissented from some of the provisions of the Bill, or from the methods adopted for its promotion. In September Queensland decided by a small majority to join; and after the Bill had passed the Imperial Parliament, Western Australia, to which colony important fiscal concessions were temporarily made, was added to the Dominion, and the Commonwealth was formed. Messrs. Barton, Deakin, Kingston and Sir Philip Fysh went to London on the invitation of Mr. Chamberlain to assist in the passage of the necessary Act through the Imperial Parliament. This was safely accomplished, after a compromise had been arrived at on the proposal of the Colonies to abolish the right of appeal to the Privy Council, and the Royal assent was given. The appointment of the Earl of Hopetoun as Governor-General, which shortly followed, gave universal satisfaction, especially in Victoria, and on the 1st of January, 1901, the imposing official inauguration of the Commonwealth took place.

The continuous annals of the Port Phillip district of New South Wales and the Colony of Victoria cover a period of sixty-five years. For the first two years, 1835-36, the settlers were unauthorised squatters on Crown lands, warned off by formal proclamation. The legalised settlement of the district dates from 1837, the year when Queen Victoria was called to the British throne. It was in her honour that the colony was named when it emerged from its dependent position. It was under her signature that the colony was elevated to the position of a State in the great Australian Commonwealth. The pen, inkstand and table which she used on the occasion of signing this historic document have been transferred to Australia to be treasured as a memorial of one of the last official acts of a good Queen. Throughout an eventful epoch-making

career, the Colony of Victoria has known but one sovereign ruler, and it has been an important factor in keeping alive that spirit of loyalty with which travellers—sometimes in a rather condescending manner—seem to consider it the proper thing to credit Australians. Men like Anthony Trollope, Archibald Forbes, J. A. Froude, Michael Davitt and many other visitors who have dilated upon Australian characteristics, social and political, are unanimous in crediting the colonists with a large amount of professed loyalty. Most of them, however, express the opinion that the sentiment must not be taxed. They are also fairly well agreed that in due time the bonds of union will be severed and Australia will take her way alone.

Probably there are few subjects on which there has been more vague talk than this loyalty of the Australian Colonies. So far as the sentiment may be expressed in words, it is easy to find it in scores of addresses to the Throne, to newly arriving or departing Governors, or to visiting representatives of the Royal family. When it comes to voting funds for a trifling share in the cost of the fleet that guards its shores and protects its commerce, there is always a higgling minority ready to repudiate any loyalty that costs money. Even the Commonwealth Parliament, which was to be such an exemplar to the local Legislatures, could not escape this pettiness. When it was recently proposed to validate a naval subsidy, which had been practically promised by the Prime Minister, a senator had the effrontery to inflict upon the Chamber a speech, in which he protested against spending one shilling on naval defences, upon the ground that the whole country was in pawn to the British capitalist, and it was the duty of the bondholder to protect his security! And such talk evoked no indignant reprobation.

Forty years ago, when the bulk of the population of Victoria was of British origin, the loyal sentiment was strong enough to resist many undeserved rebuffs which it met with from indifferent or unsympathetic Secretaries of State. There never was a time when it could be said that popular feeling was in favour of independence, "cutting the painter," as it was tersely defined by the press. Even the celebrated resolutions carried by Mr. Higinbotham in 1869, when the feeling of irritation against the Home

Government was at its highest, declared that "it was the desire that this colony should remain an integral part of the British Empire," and proclaimed "the exclusive right of Her Majesty and of the Legislative Council and Legislative Assembly to make laws in and for Victoria". The protest was against British ministers interfering with the domestic affairs of the colony. As the old *régime* died off and their places were filled by a rapidly increasing proportion of the native-born, the active sense of loyalty naturally waned. It was partly based on early memories, partly on inborn patriotism, and partly on a chivalric regard for a sovereign who had invested her Court with an atmosphere of human interest and social purity hitherto unknown in such quarters.

The attempt to infuse enthusiasm into the idea of Imperial Federation, strenuously as it was worked, was an undeniable failure. While the Australian Natives' Association was distinctly a valuable aid in bringing about the confederation of the Colonies, it looked coldly upon the larger project. Indeed, owing to the insurmountable objects which had to be faced when it was contemplated at close quarters, it may be said that it never emerged from the region of speculative discussion. It certainly never took hold of the popular imagination. It is not to be inferred from this that there is any element of disloyalty openly avowed in Australia. Any man bold enough to deliberately advocate a severance of the slender thread that binds the Colonies to the mother-country would find some difficulty in obtaining a hearing. For the community has enough sense to know that the preponderating advantages are on the side of the colonists. Although not swayed by the sense of personal loyalty to the sovereign which animated many of their fathers, the young Australians, in the main, believe in the Empire and are proud of being a part of it. Proud, too, of a sort of joint ownership in the prominent statesmen who have swayed its destinies, and who have of late years been conspicuously complaisant and complimentary to Australian aspirations and Australia's public men. So long as this tender consideration is displayed, the few agitators for breaking the bonds are crying in the wilderness, and sentiment will prevail.

The sending of a contingent of Australian soldiers in 1884 to

assist Great Britain in the conquest of the Soudan was the first occasion when the Colonies volunteered a loyal service in acknowledgment of the generosity with which the mother-country had admittedly treated her dependent provinces. It was far from being a spontaneous outburst of patriotic feeling, for it really emanated from one man, Mr. W. B. Dalley. Such enthusiasm as it evoked was largely due to the strong emotion which the fate of General Gordon had excited in all parts of the Empire. To speak of this handful of men "going to the assistance of the mother-country in her hour of peril," as some of the journals of the day phrased it, bordered on the ludicrous. In a country like Australia, with a restless, nomadic population, there could, of course, be no difficulty in recruiting 500 men, who, for three times the pay of the ordinary British soldier, and the normal love of excitement and adventure, would be ready for adventure in any part of the world. The sentimental impulse of Mr. Dalley, though at first doubtfully received by the press, and specially denounced by Sir Henry Parkes, soon caught popular approval, and brought New South Wales to the front with a rush. Even so unemotional a man as Mr. Service was touched by it, and though he admitted that if the idea had first occurred to him he would have put it aside as impracticable, he fully recognised the value of its effect on European politics. "It is a step," he said, "that has precipitated Australia in one short week from a geographical expression into a nation." While the militant spirit was abroad, the other Colonies, jealous of New South Wales receiving all the glory of action, cabled their offers of assistance if necessary. But they were politely declined, with the somewhat discouraging intimation that the offer of a New South Wales contingent had been accepted "out of compliment to the Colony".

Sixteen years passed away without any further call upon the military ardour of the colonists than the annual Easter encampment. During this period the general question of the defences of the Colonies occupied an important place in Parliamentary discussion, in negotiations with the British Government, and in the practical training of an abundant and willing raw material. In the last year of the century a more urgent case arose, when England, taken by surprise and in a state of criminal unprepared-

ness, was threatened with serious injury to, if not the possible loss of some of her South African Colonies. There was no talk of any complimentary acceptance on this occasion. The British Government invited, and gratefully accepted, the assistance which all the Colonies competed in proffering. Many thousands of Australia's stalwart sons eagerly rushed to the front, and at least as many more deplored the hard fate that barred their acceptance. A member of the British House of Commons said with ungenerous bluntness that "the contingents were sometimes merely symptoms of a desire to combine a sort of authorised filibustering with the benefits of a camp of instruction; the outcome as much of the natural desire of officers and men for adventure and experience, as of a willingness of the colonial authorities to wash the spears of the young men of their embryonic armies at the expense in the main of the British taxpayer". Such utterances, and there were many of them, rankled with exceeding bitterness in the minds of those who had father, brother or son sleeping in untended graves on the veldt. As a matter of fact, neither the men nor the authorities were inspired by the mercenary calculations thus attributed to them. As for the men, not one in a hundred knew anything of the horrors of war, of the stress and strain of the hard life he was seeking. Very few of them knew, or cared to inquire, about the rights or wrongs of the cause they joined. They yielded to an irrepressible outburst of excited feelings, in which loyalty, patriotism and a desire for distinction were mixed with a restless craving for change and adventure, and an escape for the time being from the dead monotony of life "out back". It was a sad year of drought, discouragement, unemployment and general anxiety throughout Australia, and many volunteered in the hope of better fortune in another land. And the community generally encouraged them to go, despite the fact that the country was languishing for men of pith and enterprise to develop its resources. Hundreds of young men were allowed to leave the Civil Service, the banks, and the merchants' offices to go to the field of action, with a promise that if they survived, their appointments would be open for resumption on their return. Surely this indicates a very widespread feeling of loyalty to the cause of the

motherland, for the voices that were raised against the prevailing fervour were almost inarticulate.

It was not the services of the few thousand men that England needed. It was the practical expression of the sentiment that the lion's whelps were ready at the slightest call to rally round the national flag. The whole of the fighting done by the Australian contingents may have had no appreciable effect on the ultimate result, which assuredly was never in doubt, but their presence in the field was a revelation to some European potentates, who had not been indisposed to offer an indiscreet interference. The professed willingness of the Colonies to furnish 50,000 men if need be, trained and equipped for the field, was a factor that gave pause to many meddlesome intentions. If this was not loyalty in the old feudal sense, it was something very much akin to it, and although it is undesirable to cultivate a spirit of militarism in a country that is far removed from seats of war, and that needs all its energies for its industrial development, it is a matter of congratulation that the "crimson thread" of kinship still binds the colonists in bonds of love and service to the land from which they sprung.

Responsible Parliamentary Government was called into existence in Victoria in 1855. It was expected to shape the course which should lead an aspiring democracy through ways of pleasantness into the soundest and most liberal form of self-government that its united wisdom could devise. Necessarily much of its work was experimental, and, largely owing to repeated changes of administration, was often marred by want of continuity, sometimes by glaring inconsistency. Every session saw numerous amending Acts passed to correct hurried legislation, and the bare list of repealed statutes would fill a stout volume. It was not to be expected that the foundations of a State, which aimed at theoretical perfection, could be laid without many mistakes. It is but the barest justice to admit the ability and the simple-minded interest which were manifested by many of the framers of the charter, the men who gave their time and their labour cheerfully, without exacting a living wage for themselves. When politics became a business worth following for its monetary reward and indirect perquisites, it attracted a different stamp of men to its service—it largely sub-

ordinated general to specific interests—it turned independent representatives into class delegates—it even accepted members of Parliament, who were pledged by written bond to act and vote as an outside council should direct, and who were also pledged to contribute to that Council a portion of the emolument they drew from the State. And with this loss of independence the baleful influence of outside organisations worked many disasters, and fomented distrust and strife between labour and capital. But poor in capacity and colourless in character as so large a proportion of the rank and file of members have been, they have been admittedly free from the charge of corruption in the ordinary sense of the term. It is a legitimate boast that during all the process of nation-making, with untried men and upon untried principles, the number who could be charged with personally corrupt motives, or official peculation, was very small, and in all proved cases transgressors were promptly dealt with by their offended colleagues. Some members who lived on their £300 a year had been reared in an environment which regarded £3,000 a year as emblematic of oppression and unlawful gains. They ignorantly but honestly believed that it was easier for the proverbial camel to go through the needle's eye, than for such a man to do right for the sake of right. They saw men with such dangerous incomes in the Legislative Council, who were even making their riches more offensive by refusing to take pay for their legislative work. When, in the presence of such feelings, the friends of the Council held it up as a chamber of review, and a check on hasty party legislation by the paid law-makers, it is easy to see the basis of the strong antagonism and heated language to which the business, and even the existence of the Council had been often subjected in the Assembly.

Much of the experimental legislation was conceived in a hopelessly wrong spirit. Incessant tinkering with the land laws was made necessary by the generous but fallacious intent to put the poor man who had no capital on the land, to the exclusion of the man who could afford to pay for it, and to properly work it. It was commonly supposed that if the State gave a man a piece of land—which under the conditions of so-called purchase it practically did—it set his feet on the high road to prosperity. It ignored the

fact that raw land is a liability only convertible into an asset by the labour put into it and the capital expended on it. It is true that some thousands of selectors benefited by the generosity of Parliament, and acquired permanent homes and valuable properties on terms that laid the foundations of fortune. But quite as many more reaped all these profits and gave the State no return in the shape of a settled, productive, ratepaying yeomanry. As soon as their probationary period was completed, they took the handsome profit which the Government had provided in its eagerness to retain them, and cleared out to repeat the operation in other Colonies. Still another, and a very large section struggled on, lacking the means necessary to command success, burdened with heavy mortgages, living from hand to mouth a life of severe toil, but clinging to the hope that some day a more successful competitor would buy them out. No one who has travelled much in the agricultural districts of Victoria can have failed to notice the unprofitable and make-shift character of the settlement even after a quarter of a century of occupation.

Victoria has set many object-lessons for the consideration of the English democracy, experiments of vital import and interesting character which have not yet found acceptance in the old world. Perhaps the most notable is manhood suffrage. According to a return submitted to the Legislative Assembly in August, 1898, it appeared that after making deductions of certain plural votes, the total number of distinct electors in the colony was 224,198, one-fifth of the whole population. It comes as a surprise to find that in Great Britain, with its restricted franchise, one-sixth of the whole population are registered electors, *viz.* : 6,891,000 out of 41,748,000, so that the vast gain to democracy by the first bold step of the colonists seems to have been over-estimated. Much as manhood suffrage has been blamed for injurious legislation and partisan legislators, it was an inevitable corollary of the Constitution. In a country where there were no wealthy classes in the English sense, and where a high average standard of comfort engendered independence, no limitations based on mere wealth would have been tolerated. But the blunt nakedness of the principle could have been materially softened in Victoria by allowing a second vote to

education, or even to prudential thrift or family responsibility. The most brilliant scholar, the profoundest student of political economy and history has no recognition in electoral matters. It is true that up to the last two years of the colony's existence thrift, when it took the form of real property situated in different electorates, conferred the possibility of voting for more than one candidate, but the effect in leavening the mass vote was quite inconsiderable. And when under pressure from the labour organisations a weak Ministry bowed to the mandate of "one man one vote," the making of Parliament and the control of legislation was fairly handed over to the impetuous, unreflecting and easily-cajoled crowd. The vote of the Chancellor of the University, for all that he happens to be also the Chief Justice and Lieutenant-Governor of the colony, is of no more weight than that of the drunken loafer of the slums who sponges on his wife's earnings and passes some weeks out of every year in the lock-up. It is not comforting to reflect that while there is only one Chancellor, and he represents a distinctly limited class, there are, and always will be, if statistics are to be relied on, many thousands of the other type of voters figuring annually in the police court returns. Probably no acceptable scheme can be devised to take the vote from the admittedly unworthy, but it is certain that its banal influence could be greatly mitigated by an intelligent adaptation of some more scientific form of voting, preferential, proportional, cumulative, or what not, that should approximately equalise the claims of all who have a right to be represented.

The local conditions which necessitated conferring the franchise on all have tended to lower its value, and to deaden the sense of responsibility it carries. This is evidenced by the fact that in periods of most active excitement there are not more than two-thirds of the electors who exercise their rights, and in ordinary periods of calm they barely average one-half. It has to be admitted that the defaulters are more frequently to be found amongst the comparatively independent classes, with whom the knowledge that they are in a minority somewhat paralyses effort. Meanwhile, the votes of those perhaps less competent to form thoughtful political opinions are carefully looked after by organisations working avowedly in class interests.

Payment of Members of Parliament is another Victorian example which has not yet been followed in Great Britain. It has been shown at some length that the principle of paying a salary for the services of representatives was not permanently affirmed until after long and bitter contests. At one time the means adopted to enforce it threatened a complete breakdown of Government, and involved many non-combatants in grievous financial loss. It is far from being an ideally perfect system, and it has certainly never produced anything approaching to an ideally perfect House. But there were many reasons in a youthful and aspiring community why the demand for payment found so many and such vigorous advocates. In the first Victorian Parliament under the Constitution, out of sixty members of the Assembly, forty-five were Melbourne residents. They were approximately classified as one-fourth merchants, one-fourth lawyers, nearly one-fourth squatters, and the balance men engaged in the minor branches of trade. As settlement spread over the country, the electors in the interior believed that their interests could only be properly looked after by one of themselves: one who knew their wants, and would be prepared to advocate them if needs be as a matter taking precedence of abstract notions about the general welfare. The theory of the greatest happiness for the greatest number had to give way before pressing local necessities, and the twenty-five country electorates proclaimed that they were not to be sacrificed to the interests of the dozen metropolitan and suburban constituencies. But they could not find local men willing to leave their own affairs without some remuneration, and many of the remoter districts were practically in the position which Melbourne resented when the old Council held its sittings in Sydney. It is not surprising that the country at large backed up the agitation for payment, but the turmoil and violence which accompanied its passage arose from causes altogether apart from a calm conviction of its expediency. That outburst was the result of Mr. Berry's passionate appeals to class prejudices. It was the mendacious imputation of unworthy motives to all opponents, with which that gentleman engineered his claim through the Assembly, that caused its enactment to leave such a black mark on Victorian legislation.

Certainly the practice has not resulted in all the ills which its

opponents predicted for it. The corruption, which in the United States is commonly alleged to be largely due to the system, has not, so far, been developed. The weak spot is the inducement which the salary offers to the time-serving politician to strain his convictions, rather than risk the loss of his seat, when it provides the means of his subsistence. There have been men in the Parliament of Victoria whose services could hardly be appraised in cash, men who would have been worth in actual saving to the community a retaining fee of £10,000 a year. But during the last quarter of a century there have always been at least a score of mediocrities in the House, who have been returned for some local reasons, or as the result of organised wire-pulling—men, too, frequently incapable of initiative, and incompetent to give an intelligent opinion upon questions of general polity coming before them. It might be supposed that, with triennial elections, the undesirable and useless element could be easily weeded out, and replaced by something more competent. But in practice it is found that the man in possession has great advantages over the outsider. Even in business, or in the Civil Service, it is notoriously difficult to get rid of the merely inefficient; and where there are many thousands of masters in the guise of electors, it is only some very flagrant case of wrong-doing that calls forth dismissal. Thus, taking the contingent of mediocrities at the very modest estimate of a score, the country has had to pay over £150,000 in salaries, perquisites and free travelling, for services not only worthless, but harmful as excluding men of higher capacity. The fact remains, that under manhood suffrage the independent candidate who refuses to be bound by the demands of some special class, or to adopt the entire platform of a party organisation, has a remote chance of acceptance, however brilliant his ability, or however profound his study of the higher politics. His only opportunity in the future lies in the hope that some day legislators may realise that votes should be weighed rather than counted, or, failing that, in the adoption of a more scientific system of taking the ballot, and the making the exercise of the franchise compulsory.

The construction and business control of the railway system of Victoria by the Government is another experiment demanding

brief notice. The building of the main lines by the State was deliberately approved by the first Parliament on the ground that the Government was best qualified to decide in what direction such facilities should be given to promote settlement. Further, it was believed that the whole system being worked in one interest would obviate the reckless waste and financial disasters which had resulted from the construction of competing lines in England and America. The pioneer legislators, however, while desirous of controlling construction, looked unfavourably upon the Government assuming the business of public carriers. It was recommended that when completed the lines should be leased for a term, on such conditions as would amply protect the public using them from monopolistic rates, and yet ensure a fair rate of interest to Government on their cost. It is worth noting too that the sanction of Parliament for the earlier railway loans was hedged round with conditions for their redemption by the sale of lands benefited by the proposed lines. Later again specific directions required sinking funds to be provided annually for such redemption. All these proposed conditions and safeguards have been defiantly ignored; competing lines run parallel over hundreds of miles, some of them rusting in disuse. All the land benefited by railway proximity has long since been sold and the money spent, but not in redeeming bonds. The tentative efforts which some conscientious Treasurers have made to comply with the mandate for a sinking fund have too often been promptly reversed by their successors in office, when threatened with a deficit. Notwithstanding the vigorous efforts initiated by Mr. Service to remove the railway management from the grip of the politician, the position of affairs in the last decade of the century was deplorable in the extreme. Not one of the many Ministries in power during that period had the courage to grasp the nettle. The experienced professional manager brought in to succeed Mr. Speight soon realised how impossible it was to control even the workmen in his employ. Half a dozen obsequious Members of Parliament, nervously mindful of the railway vote, were ever ready to champion in the House the cause of any dissatisfied servant. The Commissioner did some good work in trying to bring an over-capitalised investment of £40,000,000 under intel-

ligent commercial conditions, but political interference was too strong for him. He was finally glad to return to England to assume control of one of the largest railway companies, where he could exercise an unchallenged authority. The disastrous results of Government management would of course have landed any private company in hopeless insolvency. The average loss in working the system during the last decade of the century was about £1,000 per day, allowing for the interest payable on the borrowed capital. For the year ending 30th June, 1896, it reached the startling figure of £528,000. These accumulated deficiencies amounted at the end of 1900 to more than £9,000,000 sterling, and as the Government has no means of writing down lost capital, which has been mainly subscribed by the British investor, this debit balance has perforce to be carried forward indefinitely. The hope that such a stupendous sum might be liquidated out of future profits is a very slender one, for with the first year that shows a surplus there will arise an irresistible demand for reduced fares and freights. Apart altogether from the important questions of the cost, the suitability or the efficiency of the various lines, the bare results of Government management are as above stated. And yet experience does not teach, for the cry of the multitude still goes up for Government supersession of all important industrial enterprises.

In spite of all the shortcomings of the too numerous and too frequently changing administrations, Victoria has progressed, with many a set back, into a position wherein, though there is little affluence, the average lot of the community is marked by a high degree of comfort in a material sense. This is rather attributable to the inherited characteristics of the people than to anything done for them by experimental legislation. Indeed, it may safely be said that such success as can be recorded achieved its results in spite of unfavourable legislation, and of a distinct subordination of the interests of the whole community to those of the favoured few. The avidity with which the workers declared for Protection to local manufactures deposed Victoria from the pride of place on the Australian continent. In 1866, when the first protective duties were levied, the population exceeded that of New South Wales by 200,000. Thirty years later it had fallen nearly that number

behind the mother-colony, though an unhealthy congestion of the people in Melbourne retained for that city a larger population than Sydney. In 1866 the area under crop in Victoria was already 600,000 acres, being just double that of New South Wales. By 1900, according to Coghlan's statistics, the area in the latter colony had grown to 2,400,000 acres, against 3,100,000 in Victoria. When it is remembered that both soil and climate in the southern State are immeasurably superior, that it suffers less from droughts, and that the producers are not handicapped by the great distances from market which burden the New South Wales farmer, it is evident that some malign influence must have retarded the growth of this main factor in a country's prosperity. To some extent it was due to want of labour, which had been diverted into more artificial channels. It was, of course, also affected by burdensome duties of from 20 per cent. to 50 per cent. laid upon everything used in the process of cultivation. This alone induced many sturdy farmers to betake themselves later across the Murray, and to risk the more unfavourable climatic conditions. Undoubtedly they were also often invited to this step by the Riverina pastoralists, to cultivate portions of their holdings on the share system, for in New South Wales the squatter was not so much of an outlaw as he had become in Victoria.

In 1866 the volume of imports and exports of Victoria was very nearly double that of New South Wales. By the end of the century it was, in round figures, £36,000,000 in Victoria against £54,000,000 in the colony with unfettered trade. And it should be specially noted that the large preponderance of New South Wales trade cannot be ascribed to a falling off of imports into Victoria as a result of that colony manufacturing what had hitherto been purchased from the foreigner. On the contrary, the imports into Victoria, which in 1867 were under £12,000,000, rose steadily, despite increasing tariff restriction of 10 per cent., 15 per cent., 20 per cent., and even 25 per cent., until in 1889 they exceeded £24,000,000. The sudden check which the spending power of the people received in that year drove them back for a time, but by 1900 they had again exceeded £18,500,000. A retrospect of more than a generation of protected duties would seem to show

that they have not achieved the object for which they were ostensibly imposed, namely, to secure to the Victorian workman the right of manufacturing at least a large part of the goods represented by the £20,000,000 annually paid for imports. The actual increase of population in the interim will not nearly account for the figures, and the inference is that the laws of supply and demand cannot be arbitrarily superseded by any tariff legislation, though demand may be slightly circumscribed by making supply unduly costly. In such case, as a rule, a substitute is discovered and utilised. Meanwhile, professional classes, the farmer, the miner and the men who live on fixed salaries bear the impost in the enhanced cost of living, a few manufacturers make large profits, a number of mechanics earn good wages, and thousands of young people crowd into a gorged metropolis and earn a bare subsistence at work which teaches them nothing. Eventually, as improved machinery or periodically glutted markets drive them forth, they join the ranks of the unemployed, one of the permanent evidences of misdirected legislation. They are the victims of the system, —largely unemployable, for they know no trade. Physically unfit to follow the plough, they cannot dig, but to beg they are not ashamed.

It is needless to dwell longer on the hindrances to progress under which Victoria has suffered. The hostility of organised labour to any form of immigration; the influence which it wields over Parliament in the harassing of business enterprise; the diversion of the incidence of taxation from the whole to the selected few, and the unabashed manner in which it has from time to time traded its support to Government or Opposition to secure specific class interests no matter at whose cost. These have been really serious clogs on the wheels of progress. The sturdy, self-reliant democracy of Victoria's early years became enfeebled by the prevalent habit of leaning on the Government for support in every case that presented the slightest difficulty to individual or co-operative effort. Probably one-half of the mass voters in Victoria have a hazy idea that what they call State socialism is the triumphant outcome of democracy, instead of being a lazy abandonment of the manly effort, energy and capacity which mark the independent democrat. They

are easily led to believe by glib orators of their class, or by social faddists, that a man who has done nothing to raise himself above poverty has a right to claim from the State that which others have had to work for. In the old world, where great accumulations of hereditary wealth, sometimes improperly obtained, are often improperly and even injuriously expended, there may be some excuse, if no justification, for such claims. But in Victoria, where there are no privileged classes, no persons even of great wealth, and where all material prosperity has been the result of hard work and a bold, enterprising reliance upon the future of the country, this persistent inculcation of class hatred between the haves and the have-nots is both contemptible and criminal. Yet, while the self-seeking demagogue has such material to work upon, he finds it the most effective factor in a political campaign, since this type of man is always the preacher of some narrow class interest. It was a favourite contention of the promoters of the scheme of State education that, as each generation passed, the masses would become more and more fitted for the responsible exercise of their voting power. But the bald rudimentary teaching of the State schools is not education. A course which entirely ignores history, which knows nothing of political economy or philosophy, and which expunges anything relating to ethics and morality, may qualify its recipient for competency in the petty details of trade, but even though it costs £800,000 a year it can never create voters fitted to take a broad, unselfish view of what is best for the whole community.

The contemplation of the future of Victoria as a State of the Commonwealth evokes no serious anxieties. Heavily handicapped with debt, Government, Municipal and individual, and oppressed by a burden of taxation that shames past administrations, there is yet within her borders ample material for recuperation. The scientific discoveries of the last twenty years have been of incalculable benefit to her settlers. The rapid and safe transit of perishable products to the markets of the world has stimulated dairy farming, fruit growing, and the export of meat, poultry and rabbits on a vast scale. Insignificant as the last-named animal may appear as a factor in a country's prosperity, it has played a remarkable part. Since 1880 the Victorian Government has spent £350,000 in at-

tempting to eradicate this little rodent, while New South Wales and South Australia combined have spent four times that amount. And it is estimated that the expenditure of the pastoral tenants under certain compulsory conditions was nearly as much. To-day, there are many hundreds of men in Victoria making a comfortable living as trappers. Many millions of Australian rabbits find their way in a continuous stream into the British provision marts, and hundreds of thousands of pounds are added to the value of Victorian exports by what was, till lately, a real scourge to pastoralist and farmer alike.

The value of butter exported in the year 1900 exceeded £1,500,000, being nearly one-half of the value of the wool exported in the same period. In view of the transport facilities already referred to, it is reasonable to believe that the dairy industry is capable of indefinite expansion. It is possible that it will exceed in volume the industry upon which the colony was built up. The danger is that when the dairy farmer becomes wealthy the same outcry may be raised against him that drove the Victorian squatter into the back blocks of New South Wales. There are already schemes formulated demanding the compulsory resumption of properties used for grazing, in order that they may be cut up into small holdings for the supposed land-hungry but really helpless contingent of hangers-on, who are incapable of even looking in any direction but that pointed out by a paternal Government.

The production of wine, long a neglected industry, has, with somewhat varying fortunes, crept up to an out-put of 2,500,000 gallons in 1900. It has had to struggle against much prejudice in the European market, and its export has rarely been profitable, all that reaches continental markets being used for blending with local wines. There are great possibilities in this form of production, the climate and much of the soil of Victoria being specially suitable for it. To ensure its profitable establishment, however, it requires abundant and not too costly labour, together with a substantial increase in the number of local consumers. Climatically, Victoria is certainly a light wine drinking country, but transplanted habits have hitherto been too strong to be discarded.

Large ships, moderate freights and increased handling facilities

have greatly improved the farmer's lot in his attempt to provide his share of the world's wheat supply. Infinitesimal as the contribution is in relation to consumption, and primitive as have been his methods, he has yet exported to the value of £17,000,000 sterling during the last twenty years of the century.

Up to the last year of Victoria's colonial existence there had been sold, or was in course of sale by instalments, 23,300,000 acres of land, out of a total area of 56,000,000 acres. Of the alienated territory less than 7,000,000 acres had been sold by auction, including all the "special surveys" and large pre-emptions of the early years, and all the subdivisional city and suburban sales. Thus, in round figures, 16,300,000 acres had been taken up by selectors under successive Land Acts at £1 per acre, much of it payable at 1s. per acre per annum for twenty years without interest. It is not easy to estimate the number of these favoured selectors who were unable to resist taking the large profit the Government had placed within their reach, but if one-half of the selectors under the Duffy Land Act fell before temptation, they would only represent one-fifth of the whole area selected up to date. Deducting one-fifth, then, would leave over 13,000,000 acres in the hands of the class whom the Government desired to favour. Coghlan's statistics record that in 1900 the total area under cultivation in Victoria was only 3,159,000 acres, of which 2,500,000 acres were under grain. A certain proportion of this cultivation was undoubtedly on some of the freehold properties acquired at auction or otherwise in the early days; but if the selectors are credited with it all, it discloses the fact that the men for whom the country made such sacrifices are on the average cultivating less than eighty acres out of every 320 granted to them. There is little doubt that this is due firstly to want of capital, and secondly to scarcity of suitable labour. Fully three-fourths of these holdings are burdened by heavy mortgages, and it is within the mark to say that the produce of quite one-half of them, after paying rates, taxes and interest charges, yields a living to the nominal holder altogether inadequate to the toil and privation undergone.

The prosperous future of this class depends entirely upon a factor that has been notoriously absent in Victoria for many years

—a steady and substantial increase of population. With a growing local demand for their products, and the possibility which a revival of immigration would give of a reliable supply of steady labour, the production of cereal crops alone could be more than doubled without the Government selling another acre of land, or forcibly interfering with the uses to which other freeholders find it most profitable to put their estates. Victoria has great advantages over the other Colonies in geographical position, in equability of climate and in compactness. To utilise these advantages to the full, and to develop its many unexplored resources, it ought to carry at least four times its present population. There are far too many people congregated in its Metropolis, living by their wits rather than by their labour. But 5,000,000 persons fairly distributed over the country should result in a development that would make Victoria the ideal State of Australia, a home of plenty to her own children, and a pleasant trysting-place for visitors from all parts of the world.

And with the attainment of that material prosperity so generally characterising races of the Anglo-Saxon stock, there will assuredly come a more pronounced development of the intellectual side of life than has hitherto been practicable, which will leave a worthy impress on future years. There are indications of latent forces in literature, in art, in music and even in science, that justify the expectation of strong and original work being done by the coming Victorian when the necessary environment of higher culture and wider leisure shall have been permanently secured.

INDEX.

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Abbreviations: *M.L.A., Member of Legislative Assembly; M.L.C., Member of Legislative Council; N.S.W., New South Wales; P.P., Port Phillip; V.D.L., Van Diemen's Land.*

A'Beckett, T. T., M.L.C., legal adviser, diocese of Melbourne, Commissioner of Customs, 1870, assists Bill for Abolition of State Aid to Religion, ii., 155.

A'Beckett, Sir Wm., Judge, arrives Melbourne, 1846, Chief Justice, 1851, i., 262; his literary work, 262; administers oath to Gov. Latrobe, 302; tries Ballaarat rebels, ii., 50; resigns, 75.

Aborigines of Port Phillip, their treatment, i., 214 *et seq.*; friendly to Grimes' party, 1803, 26, and to Hume and Hovell, 1824, 59; hostile to Tuckey's party, 1803, 37, who fired upon them, 38; numbers seen, 41; alternately hostile and friendly to Sturt on the Murray, 1830, 71-74; Batman's treaty with P.P. Blacks, 102, 108, 109; apprehensions of their hostility by Yarra settlers, 126; at Indented Heads, 143; natives of Western Port tribe act as guides and shepherds, 145; Melbourne district natives treated humanely, 149, 151, 218; settlers elsewhere too free with the gun, 163; Gov. Bourke meets straggling parties, 167; Lord Glenelg's instructions, 178, and on Batman's treaties, 182; Mercer's appeal on their behalf, 184, 185; estimates as to their numbers and census of 1851, 1881, 1891, 217, 218; intertribal relations, 218; infanticide, 219; vitality, diseases, 219; small-pox, measles, etc., 220; deterioration, 220; murders and outrages, 1836-44, 221; "firewater," 221; mission stations, 222; Protectors appointed, 224; their districts, 226; difficulties with squatters, 227; results of system, 228-230; Mt. Rouse Station, 230, 231; remonstrances with Protectors, Gipps reports system broken down, 231; Lord Stanley's advice, 232; decreasing numbers, 232; office of Protectors abolished, 1849, 233; failure of missions, 233, 235; Aboriginal Board established, 233, and Aboriginal reserves, 234; loss of life in murders, etc., greatly exaggerated, 235; some raids and outrages, 235 *et seq.*, 319; 50 whites, 350 blacks killed in ten years, 239.

Aborigines of Van Diemen's Land, the "Black War," i., 99, 216, 218.

Acclimatisation Society, ii., 97.

Age, The, on Ballaarat riots, ii., 44; champions the people against the Government, 47; and Governor (Hotham), 54; unfavourable to Duffy's Land Act, 1862, 88; on Berry Embassy, 208.

Agriculture: Seeds and plants for the colony taken on board at Rio Janeiro, i., 11, 12; in 1851, 305; decline in produce, 1852-54, 380, 381; agricultural districts adjacent to mining townships, ii., 100; land under cultivation, 1865, 116; districts favoured by this and Land Act, 1869, 153; exports of wheat and flour, 1884, 248; subsidies to agricultural and wine industries, 260; abundant harvests of 1892-93, 320; 1895-96, 1896-97 sadly

deficient, 1897-98 all that could be desired, 1898-99 transcendent, 324; in Victoria and in N.S.W. in 1866 and in 1900, 351, 354, 355. See Land, Produce.
Aitken, John, takes stock to Port Phillip, i., 129, 133, 134, 145, 146.
Alberton. See Port Albert.
Alexander, Mt., discovered and named Mt. Byng by Mitchell, 1836, i., 94; goldfields, 366; ii., 6. See Bendigo.
Alfred, Prince, Duke of Edinburgh, visits the colony in 1867-68, ii., 149; his enthusiastic reception and some of its incidents, 150; shot near Sydney and rapid recovery, 151.
Anderson, R. S., M.L.A., Commissioner of Customs, ii., 85; joins O'Shanassy Ministry, 87; McCulloch Ministry, 185; on reform of Legislative Council, 205; joins Service Ministry, 211; on Chinese question, 234; Minister of Justice, death, 241, 249.
Arden, George, his *Australia Felix*, 1840, i., 171; *Port Phillip Gazette*, 324.
Argus, The, and the public demand for the lands, i., 353; as the people's advocate attacks Latrobe, 388; "Wanted a Governor," 380; too urgent and impatient, 381; advocates miners' grievances, ii., 16; again denounces Latrobe, 16; on brutality of police in Ballaarat riots, 43; on Hotham's Government, 54; on Haines Ministry, 74; on Manhood Suffrage, 78; favourable to Duffy's Land Act, 1862, 88; on the "tacking" process, 130; printer (Hugh George) ordered into custody, 131; on Berry Embassy, 207. See Press.
Armytage, Thomas, goes in search of Gellibrand and Hesse, i., 161.
Art and Art Gallery, Melbourne, ii., 97, 222, 356.
Arthur, Sir George, Governor of V.D.L., and the Henty claims, i., 83; his interest in Batman's expedition, 101, 114, 135, 180; pardons Buckley, 125.
Arthur's Seat . . . named by Murray, i., 21; Collins's Settlement of 1803-4, 36, 37, 41; proposed as site for a town in 1836 (now Dromana), 309.
Aspinall, Butler Cole, defends Ballaarat rebels, ii., 50; elected M.L.A., 65; welcomes Duffy, 68; opposes Haines' Land Bill, 78; opposes Darling Grant, 141; Solicitor-General, McPherson Ministry, 152.
Audit office, under Grimes, i., 366; Childers, 383; ignored during crusade against Upper House, ii., 127, 132.
Austin, Thomas, Geelong settler, i., 176.
Australia Felix, named by Mitchell, i., 88.
Australian flag hoisted Ballaarat, ii., 34, 37; taken by troops at Eureka Stockade, 43.
Australian Natives Association, ii., 149; meeting at Corowa on Federation, 336; its influence and loyalty, 340.
Avoca River discovered by Mitchell, 1836, i., 90.

Backhouse, Quaker Missionary at Melbourne, 1837, i., 170; visits Mission Station for aborigines, 222.
Ballaarat goldfields, i., 350, 365, 377; fêtes to Gov. Hotham, 389; ii., 5, 6; land sale at Geelong, 23; in 1854, 21; revolt of the diggers, 22 *et seq.*; Bentley's "Eureka Hotel," 25; burnt by the diggers, 27; military force sent, 28; three diggers arrested and sent for trial to Melbourne, 28; sentenced to imprisonment, 29; "Ballaarat Reform League," 29; its chief articles, 29; deputation to Governor, 32; further military force despatched, 32; demands of deputation refused, 32; mass meeting summoned, 32, 33; held, 35; diggers burn their licences, 36; companies formed and oath of allegiance taken, 37; Eureka Stockade formed, 38; stormed and captured by the military and police, 40, 45; martial law proclaimed and order restored, 46; petition for amnesty dismissed by Governor, 49; trials of rebels, 50, 51; their acquittal, 53; first Election under Responsible Government, 63; railway opened to Melbourne, 1862, 96; visited by Prince Alfred, 151; rejects Service, 172; *Ballaarat Times*, ii., 23, 29; on brutality of the police at the Eureka Stockade, 43.
Banks and Banking, 1838: Opening of Derwent Bank Co., Bank of Australasia and Union Bank of Australia, i., 171; Port Phillip Bank, its brilliant

prospects, 172; invidious position of Colonial bankers and usurious claims of the Government, 252; effects of panic, 1842-44, 282; deposits during the gold fever, 376; as indenting merchants, 376; Victorian Banks undertake railway loan, 1858, ii., 95; one bank alone assists Government during "deadlocks," 126, 144; vetoed by the London Board of the Bank, 144; banking troubles, 1892, 292 *et seq.*; increase of deposits, 294; increase of deposits and advances, 1887, 297; amount of deposits, 301; stoppage of Mercantile Bank of Australia, 308; of Federal Bank, 310; of Commercial Bank of Australia, 311; its reconstruction, 312; temporary closing and reconstruction of eleven other banks, 313; again in working order, 315; revision of original schemes of reconstruction, 315; "run" on Melbourne Savings Bank stopped, Government assuming responsibility for payment of all depositors, 311; State Bank proposed, 324. See Finances, Financial Troubles.

Bannister, Thomas, Member of P.P. Association, i., 102; his selection, 133.

Baring Brothers tender for railway loan, ii., 94.

Barkly, Sir Henry, his history, ii., 72; his salary, 72; tastes, hospitality, aims, speeches, 73; death of Lady Barkly, 77; invites Chapman to form Ministry, 79; the Nicholson Ministry, 81; suggests conference with Upper House on Land Bill, 1860, 83; grants dissolution to Heales, 87; the O'Shanassy and Duffy Ministry, 88; McCulloch Ministry, 90; proposed reduction of Governor's salary, 91; Sir Henry's resignation not accepted, but he is subsequently transferred to Mauritius, 92; his departure after seven years' successful administration, 111; Chairman of Federal Bank of Australia, 304.

Barry, Sir Redmond, Judge, i., 323; and the Melbourne University, 257; at the Bar, 260; his connection with the Separation Association, 284; Solicitor-General, first Executive Council, 340; opens first Criminal Sessions at Castlemaine, Jan., 1852, 345; on the rights of the squatters, 352; his interest in Melbourne University, 386; and its first Chancellor, 386; promotes Public Library, 386; Art Gallery, ii., 222; tries Ballaarat rebels, 50; swears Members of Parliament, 69; tries convict murderers of Inspector Price, 103; knighted, 161; his death, 222.

Barton, Sir E., goes to London to assist in passing the Commonwealth Act, 1900, ii., 338.

Bass, George, discovers Strait, lands on shores of Victoria, enters Western Port, etc., 1797-98, i., 15-17, 316.

Batman, John, as a "Founder" of Melbourne, i., 96, 97, 157; his history in N.S.W. and V.D.L., 98-100; with Gellibrand projects settlement at Western Port, 101; his "Journal," itinerary, and agreements with Port Phillip native "chiefs," 103-112; the "Tasmanian Penn," 113; P.P. Association's proposed amicable arrangement with Fawkner's party, 130; Batman to have sole management, 132; his selection of land, 133; his arrival with stock, 134; takes up his permanent residence with his family, 146; at first public meeting, 150; entertains Capt. Lonsdale, 156, 197; "Batmania" proposed name for town now named Melbourne, 149, 165; expenses allowed for outlay, etc., at Port Phillip, 196; sense of his duties as citizen, 197; death of, 96, 199; his family uncompensated, 198; buys town lots at first sales, 210, 212, 392, 394, 395. See also Port Phillip Association, Fawkner, Gellibrand, Wedge, etc.

Belfast, or Port Fairy, town lands, i., 207, 269, 315; represented by O'Shanassy, ii., 237.

Bendigo (Sandhurst), i., 377; fêtes Gov. Hotham, 389; goldfields, ii., 7; town, 21; railway opened, 96; visited by Prince Alfred, 151.

Bent, Thomas, M.L.A., Minister of Railways, ii., 217, 236, 244; candidate for Speakership, 270; Chairman of Railways Committee, 276; Speaker, 290.

Berry, Graham, M.L.A., in Opposition, ii., 114; champion of Protection, 115, 119; rejected at poll, 128; Treasurer in McPherson Ministry, which is defeated on his Budget, 154; Treasurer in Duffy Ministry, 157; increases duties and enlarges scope of tariff, 160; Premier and Treasurer, 1875,

176; on Payment of Members, 181; his opponents "enemies of the people," 182; the fickle crowd "a pack of howling idiots," 183, 347; his promises to the masses and manufacturers, 183; proposes Land Tax, 183; his Ministry thrown out, 184; his Party's stonewalling tactics, 186, 187; his Party returned, sixty supporters, 191; invites Service, Casey, Duffy to join his Ministry, 192; his Budget and Land Tax, 193-195; sum for Payment of Members included in Appropriation Bill, 196; in separate Bill rejected by Legislative Council, 197; Assembly adjourned, 197; wholesale dismissal of civil servants, 8th Jan., 1878, "Black Wednesday," 198, 199; effect in the country, 200; some officials reinstated, 201, 202; condemnation of the Press, 202; on reform of the Legislative Council, 205; Embassy to London, 201, 208, 210; defeated at Election, Feb., 1880, resigns, 211; comes back with large majority, 212; forms new Ministry, 213; again defeated, 216; results of five years' rule and "The Berry Blight," 217; and Irish disloyalty, 232; allied with Service in Coalition Ministry, 240; his readiness in debate, power of arousing enthusiasm, 241; retires to assume Agent-Generalship, 249; proceeds to London, 252; knighted, 161, 252; attends Colonial Conference, 268; returns to colony, re-enters Parliament, 289; Treasurer in Shiels Ministry, 289; Director of Freehold Investment and Banking Company, 304; a liquidator of the Mercantile Bank, 305, 316; his Budget and deficiency, 1892, 316; elected Speaker, 1894, 322; defeated at poll, 1897, 324; Parliament provides an annuity, 325; delegate Federal Convention, Sydney, 1883, 333; attends Federal Council, Hobart, Jan., 1886, 333.

Best, R. W., M.L.A., Minister of Lands, ii., 321.

Bindon, Samuel H., Minister of Justice in McCulloch Cabinet, 1866, ii., 146.

Black, George, editor *Diggers' Advocate*, Ballaarat rebel, ii., 30, 34, 35, 40; did not fight, 41; £200 offered for his capture, 44.

"Black Thursday" fires, 6th Feb., 1851, i., 331-334.

Blackburn, James, City Surveyor, on Batman's itinerary, i., 110.

Blair, David, his animosity to Latrobe, i., 387; denounces military despotism of the Government, ii., 47; elected M.L.A. for Talbot, 63; takes part in agitation against penal department, 102.

Bonwick, James, quoted or referred to, i., 99, 110, 149, 150, 324, 396.

Botany Bay designated a penal settlement, 1786, i., 2; for a time "Botany Bay" significant of the entire continent, 322.

Bourke, Gov. Sir Richard, and Mitchell's Exploration of *Australia Felix*, i., 88; treats Batman and P.P. Association as trespassers, 135, 136; reports to the British Government the intrusion of Batman and others, 137, 181; recognises the great pastoral interest of the Colonies, 138; proposes a town where Batman's party had proceeded, 138; proceeds of sales of land to be devoted to survey, government and education, 139; receives reply from Lord Glenelg, 152; instructs Lonsdale, 153-155; ignores claims of Batman, Fawkner and others, 157; visits Port Phillip, names towns of Melbourne, Geelong, Williamstown; visits Werribee Plains, Mt. Macedon, etc., reports to Colonial Minister and advises the appointment of a Lieut.-Governor, 163-168, 177, 240, 311; street in Melbourne, 166, and county named after him, 168; decision as to P.P. Association's claims, 195; authorises sales of lands, 209, 212.

Boursiquot, G. D., the *Port Phillip Patriot* and *Daily News*, i., 325.

Bowen, Sir George Ferguson, Governor, ii., 178; his *Thirty Years of Colonial Government*, 178; his part in social and public functions, 179; a year's holiday in England, 179; sides with Berry against the Council, 196, 203; sanctions wholesale dismissal of civil servants, 198; opens Portland railway, 199; excuses his action in regard to dismissals, 200; some officials reinstated, 201; transferred to Mauritius, 203; and Berry Embassy, 207.

Boyd, Benj., banker and land speculator, i., 206; represents P.P. in N.S.W. Legislative Council, 282, 288; signs petition for Separation, 290.

Brassey, Thomas, offers to construct railways, ii., 94.

Brassey, Lord, Governor, Oct., 1895 to Jan., 1900, ii., 326.

Brooke, G. V., actor, lost in the *London*, ii., 136.
Brooke, J. H., M.L.A., carries no-confidence motion against Nicholson Ministry, becomes Minister of Lands in Heales Ministry, ii., 85.
Broughton, Bp., votes against Separation of Port Phillip, i., 291.
Browne, T. A., "Rolf Boldrewood," his *Old Melbourne Memories*, i., 322; and S. J. Browne, purchase Melbourne allotments, 392, 393, 394; value of in 1890, 212.
Buckley, Wm., "The Wild White Man," his life by Morgan, i., 30; runs away from the settlement, 1803, 31; relapses into barbarism, 45; discovers himself to Batman's party, 1835, 124; pardoned by Gov. Arthur, 125; accompanies Gellibrand from the Yarra to Geelong, 142, 143; meets his black friends at Indented Head, 143; retained in service of the Crown, 155; accompanies Gov. Bourke to Geelong, Mt. Macedon, etc., 167; his statements on numbers of the aborigines unreliable, 217.
Burke and Wills Exploring Expedition, ii., 105-109; search parties organised, 106-110; their remains brought to Melbourne and honoured with a public funeral, 111.
Bushranging and the Kelly gang, ii., 223-230.
Byrne, Robert, M.L.A., carries vote against McCulloch Ministry, but is defeated in his constituency, ii., 152.

Canvas Town, Melbourne, 1840, i., 250; in 1852, 366.
Cardwell, Lord, on illegal procedure of McCulloch Ministry, ii., 132; recall of Gov. Darling, 133.
Carey, Gen., administers government after departure of Sir C. Darling, ii., 135.
Carter, G. D., M.L.A., Treasurer in Patterson Ministry and the bank failures, 1893, ii., 312, 314, 318.
Casey, J. J., M.L.A., member of McCulloch Ministry, 1868, ii., 146; Lands Department in Francis Ministry, 162; declines office in Berry Ministry, 1877, 192.
Castlemaine (Forest Creek) goldfields, i., 365, 377; ii., 21; fêtes Gov. Hotham, i., 389.
Chamberlain, Rt. Hon. J., invites Colonial delegates to London, ii., 268, 338.
Champ, Col., inspector of prisons, ii., 104.
Champion, H. H., English labour leader, and the great strike, 1890, ii., 284, 288.
Chapman, H. S., defends Ballaarat rebels, ii., 50; M.L.A., 69; Attorney-General, 76; forms Ministry, 79.
Childers, Rt. Hon. H. C. E., Collector of Customs and M.L.C., i., 361; member of Federation Committee, 1857, 331; advances ("imprests") to departments during his charge of the Audit office, 383; and Melbourne University, 385; relieved of office and reappointed, ii., 59; elected M.L.A., 65; Emigration Agent in London, 74; agent for Baring Brothers in offering to raise railway loan, 94; Agent-General, 160; brings in Bill, 1857, to repeal Chinese Poll Tax, 233.
Chinese on goldfields, ii., 98, 177; anti-Chinese legislation, 232-236; Chinese labourer, gambling, opium smoking, 233; Chinese merchants, 233; their declining numbers, 234, 236, 272; injustice towards, 236; recrudescence of anti-Chinese feeling, 1888, 270; conference of Ministers in Sydney, 271; Sir Henry Parkes' justification, 271; outrages upon, in N.S. Wales and Queensland, 272; Marquis of Salisbury, instigated by Chinese Ambassador in London, intervenes, 271; case of Ah Toy *v.* Musgrove, in Melbourne Supreme Court and before Privy Council, 273.
Churches in Melbourne, 1839, i., 243; foundation-stones of St. James's and St. Peter's laid by Latrobe, 257; Bishopric, 1848, 258; arrival of Bp. Perry and additional clergy, 269; state of the diocese on his retirement, 1874, 270. See Presbyterians, Wesleyans, Religion, etc.
Civil Service. See Public Service.
Clarke, Sir Andrew, Surveyor-General, M.L.C., i., 361; relieved of office and

reappointed, ii., 59; submits Land Regulations, 74; condemns Haines' Bill for increasing Members of Assembly, 78; declines forming a Ministry, 78; Acting Agent-General, 304.
Clarke, Marcus, ii., 31; vote of £1,000 for his wife and family rejected, 261.
Clarke, Rev. W. B., discovers gold, N.S.W., 1841, ii., 1.
Clarke, Sir W. J. T., acquires Special Survey, i., 146; a petitioner against the P.P. Association, 194.
Clonmel, steamer, wrecked near Corner Inlet, 2nd Jan., 1841, i., 320.
Coal found at Cape Paterson, i., 65.
Coghlan, T. A., statistician, quoted, ii., 295, 355, etc.
Cohen, Edward, Minister of Customs, ii., 162.
Cole, Capt. G. W., nominates J. P. Robinson, i., 282; deputed to Geelong to dissuade electors from voting, 1848, 295.
Collingwood (originally Newtown) land sale, held in Sydney, i., 213; re-sold in small allotments, 243; building there, 1853, 368; electorate, 1856, ii., 63.
Collins, David, Judge-Advocate, sails with First Fleet, i., 5, 10, 11; as Lieut.-Governor conducts expedition to Port Phillip, 1803, 28; his humane rule, 35, 45; advises against settlement, 32, 39, 44; removes establishment to the Derwent, 44; his History of New South Wales, 45; principal street in Melbourne named after him, 46; his abandoned settlement in 1836, and now, 309, 310.
Colonial Office, London, Sir G. Grey on the Henty claims, i., 83; Lord John Russell on, 86; Lord Glenelg's instructions to Latrobe, 177, 178, 241; his attitude towards P.P. Association, 181 *et seq.*; on the aborigines, 224; Earl Ripon's Land Regulations, 201, 203; Colonial Land Policy of Lord John Russell and Earl Grey, 205-207; Downing Street Policy, 206; and on transportation, 270, 271, 277; Gladstone on transportation, 272; Lord John Russell on division of the territory and boundaries, 284, 285; Earl Grey on Separation, 292; Lord Derby concedes gold revenue for maintenance of law and order, 358; Duke of Newcastle disallows Convicts' Prevention Act, 348; leaves Land Legislation to the colony, 355, 356; against constituting any colony the seat of supreme government in Australia, 358; on the claims of the squatters, 388; Lord Cardwell on McCulloch Ministry, ii., 132; recall of Gov. Darling, 133; Lord Carnarvon does not sanction vote for Lady Darling, 140; Duke of Buckingham on Darling grant, 144, 145; on annexation of New Guinea and the New Hebrides question, 246, 247, 333; Higinbotham declines to communicate with C.O. on domestic affairs, 269; Colonial Conference, 1887, 268, 269; Chamberlain invites delegates from States to London to assist in passing Commonwealth Act, 338; indifferent and unsympathetic Secretaries of State, 339.
Commonwealth of Australia, inaugurated 1st Jan., 1901, ii., 327, 338; Commonwealth Bill drafted by Sir S. Griffith, 1891, 335. See Federation.
Condell, Henry, first Mayor of Melbourne, i., 266; elected M.L.C., N.S.W., for Melbourne, 280; resigns, 282.
Constitution Acts, 1842 and 1850. See Government, Representative: Act 1855. See Government, Responsible; Government, Municipal, etc.
Convicts. See Crime, Transportation.
Cooper, Thomas, M.L.A., candidate for Speakership, ii., 270.
Coppin, George, actor, etc., i., 328.
Cotter, Dr., Manager P.P. Association, i., 134, 135, 141, 162.
Cotterill and Collicott, Messrs., P.P. Association, i., 133, 144.
Couchman, Mr., head of Mining Department, appointed Commissioner of Public Service, ii., 243.
Court of Quarter Petty Sessions opened Melbourne, July, 1838, i., 170, 244; its jurisdiction, 258; Supreme Court and Resident Judge appointed, 1841, 258; Court buildings, 262, 263.
Cowie, Dr. J. A., P.P. Association, i., 134, 176.

Crime, increase of, during gold fever, i., 364 *et seq.*, chiefly by manumitted convicts from V.D.L., 345; robbery with violence within sight of the city, 345; boarding of the barque *Nelson* and carrying off of 8,000 oz. of gold, 345, 346; case of Capt. Melville, ii., 102; murder of Inspector Price, 103; Col. Champ appointed his successor, 104; Hayter's and other statistics, 170; lessening of crime consequent upon education of the masses, 170; Kelly gang of bushrangers, 223 *et seq.* See Penal, Police, Transportation.

Croke, James, Crown Prosecutor, i., 259; purchaser of land from Lonsdale, 260; Solicitor-General, ii., 59.

Curr, Edward, candidate for Melbourne in N.S.W. Legislative Council, 1843, i., 280; father of Separation Movement, 295, and President of the League, 286; prepares memorial to Earl Grey on his Lordship's election for Melbourne, 1848, 294; himself returned for Port Phillip district, 295; resigned, 1849, 296.

Curr, E. M., *The Australian Race*, i., 214, 217, 221.

Cuthbert, Sir Henry, M.L.C., Bill for reform of Legislative Council, ii., 204; joins Service Cabinet, 211; Minister of Justice in Gillies-Service Ministry, 253; Solicitor-General in Turner Ministry, 321.

Dalley, W. B., N.S.W. delegate Federal Convention, 1883, ii., 333; sends military contingent to Soudan, 341.

D'Arcy, F. R., surveyor, Melbourne, i., 156; purchases town lots, 213, 394.

Darke, J. C., Protector of aborigines, i., 150, 156.

Darling, Sir Charles, his training and character, ii., 112; weakness, suppression and garbling of despatches, 112; opposition to Legislative Council, 113; installation and proroguing of Parliament, 113; attitude on the Tariff and Appropriation Bill, 127; rebuked by Colonial Office, 132; sympathy and mass meetings on his behalf, 133; his resentment at treatment of British Cabinet, 134; his recall due to his attack upon members of Executive Council, 134; address from Committee of Assembly thanking him for having saved the colony from anarchy, 135; £20,000 voted for Lady Darling, 135, 140; opposition to vote in Assembly, 141; not sanctioned by Legislative Council, 142; Earl of Carnarvon, 140, and Duke of Buckingham, on, 144, 145; intimation received that neither Sir Charles nor Lady Darling could accept the bounty, 146; his pension from Imperial Government continued by the colony to Lady Darling, 147.

Darling, Sir Ralph, and the Western Port Settlement, 1826-27, i., 62-67, 101.

Davies, J. M., M.L.C., Minister of Justice in Munro Ministry, ii., 289.

Davies, M. H., financier, M.L.A., elected Speaker and knighted, ii., 270.

Dawson, James, his work on Australian aborigines quoted, i., 215.

Deakin, Alfred, M.L.A., Minister of Works, ii., 241; Solicitor-General, 241; joins Gillies Ministry, 253; Chairman of Commission on Droughts visits America, passes Irrigation Act, Water Supply Loan Acts, 254, 255; attends Colonial Conference in London, 1887, 268; anti-Chinese Conference in Sydney, 1888, 270, 272; goes to London to assist in passing Commonwealth Act, 1900, 338.

Debt, Public, how the foundations were laid, i., 381; Gabrielli loans, 381, 382; railway loans, ii., 93-95, 188, 238, 248, 275, 296, 349; loan for school buildings, 188; loans, 1884-86, 248, 249; public and private borrowings, 1885-91, 295; aggregate interest, 296; loans floated in 1892, 295; loan raised on Treasury Bills, 1893, 319; municipal borrowings and rateable value of property, 296; accrued deficiency in Public Funds, 1892, 310; Public Debt in 1865, and in 1895, 116; deficiencies, accumulated, 1900, £9,000,000, 350; ample material for recuperation of Public, Municipal, Private Debt, 353.

Defences, Colonial, Verdon's Mission to London, ii., 136; *Cerberus* and *Nelson* obtained, 136; Discipline Act, 1883, 246; defences organised, 257; discussed at Colonial Conference, London, 1887, 268; Major-Gen. Edwards's

report, 1889, 334; naval subsidy proposed, 339; discussions and negotiations, 341.
Denison, Sir Wm., Governor of Tasmania, protests against Victorian "Convicts' Prevention Act," i., 348; sends troops to Melbourne from Tasmania, ii., 46; Duffy objects to toast him as Governor of N.S.W., 68.
Derham, F. T., M.L.A., Postmaster-General, ii., 253.
Dibbs, Sir G., arrests panic in Sydney during banking crisis, 1893, ii., 314; N.S.W. delegate Federal Convention, 1883, 333.
Dickson, J. R., represents Queensland at Federal Council, Hobart, Jan., 1886, ii., 333; invited to London, 1897, 321; in 1900, to assist in passing Commonwealth Bill, 338.
Diggers' licence fee, i., 343; as a source of revenue, 344; antagonism with the squatters, 350, 351; impatient for new Constitution, 361; their political rights secured, 363. See Goldfields.
Diseases: Dysentery, i.. 219, 263; Colonial or Typhoid Fever, 263; diseases among aborigines, 219; Department of Health, ii., 254.
Dobson, Frank Stanley, M.L.C., Solicitor-General, ii., 217.
Dodds, J. S., Attorney-General, represents Tasmania at Federal Council, Hobart, Jan., 1886, ii., 333.
Don, Charles Jardine, people's tribune, and the squatters, i., 207; ii., 77; elected Legislative Assembly, attacks Land Bill, 1860, 82; charged with instigating mob, 83; rejected at Election, 1864, 114; and the Chinese question, 234.
Douglas, Adye, represents Tasmania at Federal Council, Jan., 1886, ii., 333.
Dow, J. L., M.L.A., Minister of Lands, ii., 253.
Downing Street. See Colonial Office, Gladstone, Grey, Russell, etc.
Draper, Rev. D. J., lost in the *London*, ii., 136.
Dredge, James, Protector of aborigines, i., 224; his N.E. district, 226; grievances and resignation, 229.
Duerdin, John, seconds nomination of Leslie Foster, 1848, i., 293.
Duffy, Charles Gavan, approver of Irish revolt, i., 292; his Autobiography quoted, ii., 66 *et seq.*; his history and arrival, 66; patronage of Irishmen, 67; his sarcastic tolerance of amateur legislators, 67, 68; visits Sydney, where he is pressed to remain, 68; presented with a property qualification, value £5,000, 68; on Gov. Hotham's "command," 69; in Opposition, 73; carries Bill for abolition of members' qualifications, 74; Minister of Lands, 75; opposes Haines' Land Bill, 78; Minister of Lands in Chapman Ministry, 79; breaks with O'Shanassy, 80; and resigns, 81; grievances against his late colleagues, 81; attacks Land Bill, 1860, 83; attacks Heales Ministry, 87; joins O'Shanassy Ministry, 88; his Land Act, 1862, 89, 90; opposes Heales' Amending Land Bill, 113; visits England, 114; elected for Dalhousie on his return, charges McCulloch and Higinbotham with illegal procedure, 143; opposes inclusion of Darling Grant in Appropriation Bill, 151; reflections on McCulloch's squatting interests, 156; Premier, 157; resigns upon adverse vote, 160; knighted, 161; Education Bill, 163; on Payment of Members, 182; elected for North Gippsland, 191; declines joining Berry Ministry, 1877, 192; elected Speaker, 193; suggested Member of "Embassy" to London, 206; retires, 210; his emoluments, 211; on Australian Federation, 1857, 330.
Duffy, John Gavan, M.L.A., Minister of Lands, Service Ministry, ii., 211; and Irish disloyalty, 232; Postmaster-General, Munro Ministry, 289; Attorney-General, 289; candidate for Speakership, 289; Postmaster-General, 321.
Dutigalla, name given to settlement at Port Phillip, i., 140, 144, 149.
Dutton, Wm., and other whalers established at Portland Bay, 1832, i., 76.

Ebden, C. H., pioneer squatter, i., 323; purchases and sells Melbourne allotments, 172; establishes station on the Goulburn, 175; elected for P.P. district, 279; resigns, 282; Auditor-General, first Executive Council, 340; elected M.L.C., ii., 65; Treasurer in McCulloch Ministry, 76.
Education, denominational and national under Latrobe, i., 385; schools,

scholars, university, etc., in 1856, ii., 70; Michie's Education Bill, 1858, 161; Heales' Common School Act, 1862, 85, 162; Royal Commission in 1866-67, 163, 164; Bill withdrawn, 164; outside agitation, 165; Wilberforce Stephen's Act, 1870, 165; the denominations, 166; expenditure under the Act to end of century, 168; consequent closing of private schools, 168; the "ragged" children still to be reached, 169; attacks by the churches, 169; reduction of crime, 170; schools built out of loans, 176, 188, 260; teaching of history, political economy, ethics, ignored, 353.
Ellery, R. L. J., and the Melbourne Observatory, ii., 97.
Embling, Dr. T., speeches on the Ballaarat disturbances, ii., 47.
Emerald Hill (South Melbourne) in 1839, i., 243; in 1843, 307; James Service, first Mayor, 368; building upon, 1853, 368.
Emigration Commissioners in London, i., 247; remonstrances on the character of emigrants sent out, 249; relative number of free emigrants to be sent with convicts, 274. See Immigration.
English journals on the Colonies after the Colonial Exhibition, 1886, ii., 264.
Exhibitions: Melbourne, 1854, 1861, 1866, 1872, 1875, ii., 220; 1880, 219 *et seq.*; London Colonial and Indian Exhibition, 1886, 264; Centennial (International) Exhibition, 264-267.
Expenditure. See Finance.
Exports, 1851, i., 305; 1852-54, 380; 1885-91, ii., 297; 1898-99, 324; of dairy produce, 354; wine production, 1900, 354; wheat exported, twenty years, 355. See Agriculture, Gold, Imports.

Faithful's, Mr., party surprised by 300 natives, and eight servants killed, April, 1838, i., 235.
Fawkner, John Pascoe, i., 323; his claim as founder of Melbourne, 97-104, 111, 157; his early life in Tasmania, 115-118; plans settlement at Western Port, 118, 119; his representatives warned by Batman's party as trespassers, 123, 209; arrives on the Yarra, Oct., 1835, 128, 129; his arrangement with the P.P. Association, 131; his "house of entertainment" at the "settlement," 141; at first public meeting, 150, 151; his *Melbourne Advertiser* (MS.), 170; *Port Phillip Patriot*, 241, 263, 324; *Geelong Advertiser*, 313; Lady Franklin stays at his hostelry, 1839, 173; his attitude towards the P.P. Association, 179; buys town lots, 210, 392-394; elected to first Town Council, 266; thrown out at next Election, 267; seconds nomination of Earl Grey to N.S.W. Legislative Council, 293; deputed to Geelong to dissuade electors from voting at Election, 295; on Gold Discovery Committee, 337; elected to first Victorian Legislative Council, 340; on opening the lands for settlement, 354, 356; voices public opinion upon the limited powers of the Legislative Council, 359; attends mass meetings in Melbourne on Ballaarat riots, ii., 47; member of Goldfields Commission, 53; opposes ballot, 61; elected M.L.C., 65; opposes Haines' Land Bill, 78; against reduction of qualification for members and electors of Council, 148.
Federal House of Delegates proposed, 1849, ii., 328; Wentworth declares for a General Assembly, 1853, 329; Australian Association in London memorialise Labouchere, Secretary of State, 1857, 330; Committee on Federation, 1857, 331; attempt to revive subject 1860, 331; Royal Commission in Melbourne on, 1870, 331; Sir H. Parkes' proposals, 332; Mr. Service on, 239, 333; Convention held Sydney, 333; Federal Council established, 1886, 333; Federation Conference, Melbourne, 1890, 334; National Australasian Federation Convention, Sydney, 1891, 335; the Australian Natives Association take action, 336; Federal Enabling Bill, 1895, Convention sits in Adelaide, Sydney and Melbourne, 1897-98; Draft Bill for Federal Constitution adopted, 17th March, 1898, 337; Popular Vote taken, 3rd June, 1898, again in July, 1899, 337; Act passes Imperial Parliament, 338.
Federation, Imperial, Colonial Conference, 1887, ii., 268; Australian Natives loyal but not in sympathy, 340.

Federation of Australian Colonies, foreshadowed, 1849, clause relating thereto withdrawn from Australian Government Bill, 1850, by Earl Grey, i., 298; a growing topic, ii., 242, 332; Federal Council established, 249; Draft Commonwealth Bill discussed, 289; absorbing topic, 1897, 324.

Fellows, T. H., M.L.A., ii., 63, 65; submits Bill for admission of Barristers to Supreme Court, 67; defeats O'Shanassy Ministry, 76; joins McCulloch Ministries, 76, 91; M.L.C., moves that the Appropriation *cum* Tariff Bill be "laid aside," 123; negotiations to form Ministry, 131, 132, 142; resigns from Council, elected to Assembly, Minister of Justice in Sladen Cabinet, 145; on Duffy's disloyalty, 159.

Finances (Public), revenue and expenditure up to 1839, i., 247; appropriation of Port Phillip revenue by Sydney, 254, 291; Lang's speech on, 287; under the first Legislative Council, 341; from diggers' licence fee, 343; Home Government concedes entire gold revenue for maintenance of law and order, 358; waste and extravagance during the "gold" period, 364; revenue from Crown Lands secured under New Constitution, 1855, 363; for 1851-54, 382; expenditure, 1852-54, 382; deficiency confronting Hotham on his arrival, 382; Finance Committee appointed, 383; large portion uncontrolled, 383; if extravagant, far from being wasteful, 384; surplus in 1856, ii., 71; contribution of squatters, 84; financial position as affected by railway policy, 93; surplus in 1865, 116; increasing expenditure, 156; revenue in 1875, 176; deficit under Berry administration, 217; finances under O'Loghlen, 247; under Service, credit of the colony enhanced, 248; mining production declining, 1885-95, 257; surpluses, 1885-86, 1886-87, 1887-88, 1888-89, 258; estimate for 1889-90, 258; increasing expenditure, 259, 260; enormous increase, 1890, 276; financial irregularity at the Treasury, 276; revenue and expenditure, 1885-91, 297; 1892, 315; 1893, 319; Customs diminishing, 1892, 315; increasing, 1897, 322; accumulated deficit, 1892, 315; 1893, 319, 320; 1897, 322; revenue in 1897 exceeds expenditure, 322. See Debt, Income Tax, Lands and Land Tax, Property Tax, Tariff, Trust Funds.

Financial troubles and disasters, 1842-43, i., 252 *et seq.*, 279; recovery in 1845, 255, 268; injudicious legislation in "Bad Times," 255; cases dealt with by Judge Willis, 259; Melbourne Corporation Rate and Improvements suspended, 268; financial panic, palliation attempted by N.S.W. Legislative Council, 1843-44, 282; distresses surmounted, 321; financial collapse and insolvencies, 1854-55, 364, 376, 379; losses to consigners of goods, 378; commercial distress, ruined homes, 379; speculation in 1887-88, fortunes in mining, on the Stock Exchange, in land and real estate, ii., 261; new companies floated, 262; financial spectre of 1891, 291 *et seq.*; "Broken Hill," a synonym for illimitable wealth, 294; speculative "banks" in 1888, 301; all but two suspended, 302, 308, 309; building societies responsible for disasters of the "eighties," 298; their number and deposits, 299; suspensions in 1891-93, 300, 308; land and investment companies, 1888, 301; all passed into liquidation, 302, 307-309; syndicates and private partnerships for land dealings, 302; few mercantile failures, 302; limited liability companies, 302; breweries, 302; revisal of Companies Act, 1896, 322; Australian investment companies in London, 303, 304; insolvencies in Melbourne and private compositions, 1892, 309; restoration of financial position, 1897, 324. See Banks and Banking.

Finn, Edmund, his *Chronicles of Early Melbourne* quoted, i., 283.

First Fleet leaves England, May, 1787, starting-point of Australian history, i., 1; composition of the Fleet, 2, 3; leaves English Channel, 6; arrives at Teneriffe, 7; Cape Verde Islands, 8; Rio Janeiro, 10; Table Bay, Cape of Good Hope, 10, 11, 12; Botany Bay, 14; Port Jackson, 15.

Fitzroy, Sir Charles A., Governor of N.S.W., i., 272; correspondence on transportation, 273; visits Melbourne, 1849, 274; resents election of Earl Grey for Melbourne, 1848, 294; issues new writ for P.P. district, 295.

Fitzroy (originally Newtown) land sale, held in Sydney, i., 213; resold in small allotments, 243.

Flinders (with Bass) demonstrates the existence of the Strait and circumnavigates Tasmania, i., 17; street in Melbourne named after him, 167.
Foster, J. F. L., i., 323, 360; candidate for N.S.W. Legislative Council, 1848, 293; nominated but withdraws before poll at new Election, 295; succeeds Curr, who resigned, 1849, 296; visits England, appointed Colonial Secretary, 360; suggests New Constitution with two Chambers, and introduces Bill, 360; officer administering the Government, May and June, 1854, 388; on Goldfields Committee, ii., 18; with Governor receives deputation from Ballaarat, 32; his dismissal asked for by mass meetings, 47; his resignation, 55; vindicates himself, 55; elected M.L.A., 65; Treasurer in O'Shanassy Ministry, 76.
Francis, J. G., retires from Nicholson Ministry, ii., 84; joins McCulloch Ministry, 91; Treasurer in McCulloch Ministry, 1870, 154; declined knighthood, 161; forms Ministry, 162; retires on plea of failing health, 172; on Chinese Poll Tax, 234; on Irish disloyalty, 231, 232; decease, 249.
Franklin, Sir John, midshipman with Flinders, i., 23; report on G. A. Robinson's method with the Tasmanian aborigines, 1837, 223.
Franklin, Lady, visits Melbourne, 1839, i., 173.
Free Trade *versus* Protection, Service's speech on, ii., 238. See Protection.
French interests in the New Hebrides, ii., 246, 333; and in New Caledonia, 247.
Fyans, Capt. Foster, police magistrate, Geelong district, i., 172, 176, 177; purchases land lots, 311, 312; reports on Portland Settlement, 1839, 314; on aborigines and the Protector, 231.
Fysh, Sir Philip, M.L.A., Tasmania, goes to London to assist in passing Commonwealth Act, ii., 338.

Gabrielli's Corporation Loan, and offer of loans for railways, ii., 94.
Gardiner, John, pastoralist and banker, i., 140; names creek near Melbourne, 172; manager P.P. Bank, 172; proceeds to England to raise capital, 173; brings stock overland, 174; on deputation for "Separation," 285; purchases Melbourne lots, 393.
Geelong (Corio) Bay, surveyed by Robbins and Grimes, Feb., 1803, i., 26; Batman's itinerary and agreement with the natives of country around Geelong and Indented Head, 1835, 103-112; allotted to Robertson Brothers by the P.P. Association, 134, 143; site occupied by Dr. Thomson's sheep station, 146; the settling of the district, 175, 176; appointment of a magistrate, 177.
Geelong, town, i., 310, visited and name approved by Bourke, 167, 311; settlers there, 311; land sale, 213, 311-313; progress of, 1841 to 1849, when incorporated, 313; railway, 385; visited by Hotham, 389; by Prince Alfred, ii., 151; represented by Berry, 237; *Geelong Advertiser* and gold discoveries, ii., 4; on the police "massacres" at Ballaarat, 43; Geelong Reform Association, 63.
Gellibrand, J. T. (with Batman), applies for grant of land at Western Port, 1827, i., 101; joins P.P. Association, 102, 113; his selection, 133; goes to P.P., 140; with Buckley and others at Indented Head, 143; names the Plenty River, 145; holds conference with Gov. Bourke in Sydney, 160, 193; revisits P.P., 160; lost in the bush, 161; his fate unknown, 162, 163.
Geoghegan, Father, and Bp. Perry, i., 269, and John O'Shanassy, 339.
Gillies, Duncan, M.L.A., opposes Darling Grant, ii., 141; Minister of Lands, 145; declined knighthood, 161; Minister for Railways, 162; against Education Bill, 1867, 164; joins McCulloch Ministry, 1875, 185; Service Ministry, 211; on Chinese question, 234; Service-Berry Ministry, 241; forms new Ministry, 253; his great Budgets and surpluses, 1885-86 to 1888-89, 258; increases tariff, 259; attends anti-Chinese Conference in Sydney, 1888, 270, 272; negotiates loan of £4,000,000, and introduces extraordinary Railway Bill, 275; opposition to, 277; refuses to start Government relief works for the unemployed, 278; and the Maritime Strike, 1890, 286; defeated, gives place to Munro, 289; Agent-General, 318; returns to colony, 324; arranges Federation Conference, 1890, 334.

Gipps, Sir George, and the Henty claims, i., 85, 86; the Batman claims, 199; his alarm at the rapid alienation of territory, 203; opposition to Land Act, 1846, 206; and the aborigines, 225, 228, 230; Supreme Court, etc., appropriations, 259; removes Judge Willis, 261; proclaims Constitution Act, 5th Jan., 1843, 263; his casting vote given for Separation of Port Phillip, 291; forwards report to Earl Grey, 291; Lang on his land policy as regards Geelong, 312, 313; his report on results of land sales, Portland, 314.

Gippsland, landings on its shores, i., 316; explorations by McMillan, 1839, and Strzelecki, 1840, 317-321; by M'Killop in 1835, 396; Special Surveys, 203; aborigines of, 217, 219, 319; railway, ii., 177.

Gisborne, H. F., entrusted with "Separation" petition for House of Commons, 1840, but dies on voyage, i., 283.

Gladstone, Right Hon. W. E., Secretary for Colonies, inquiry as to sending convicts to the colony, i., 272; on Australian Colonies Bill, 1849, 297; advocates reduction of the franchise, but opposes Single Chamber, 298; opposes a Federal House of Delegates, 1849, ii., 329.

Glenelg, Lord, Secretary for Colonies, his instructions to Latrobe, i., 177, 178; his name given to River Glenelg by Mitchell, 1836, 92; and proposed for the town on the Yarra, now Melbourne, 165; his attitude towards the P.P. Association, 181 *et seq.*; on the aborigines, 224; appoints Latrobe Superintendent, 241.

Gold discoveries in Australia prior to 1851, i., 337, ii., 1, 2; and condition of Victoria before, i., 334, 335; Hargraves' discovery at Bathurst, i., 336, ii., 1; reward offered for payable goldfield within 200 miles of Melbourne, i., 337, ii., 2; Press on the, i., 338; discoveries in the Plenty Ranges, Anderson's Creek, Deep Creek, Caledonia diggings, etc., ii., 1, 2; at Clunes, Buninyong, 3, 4; Ballaarat, 5, 6; Mt. Alexander, Forest Creek, Castlemaine, Fryer's Creek, 6; Bendigo, Goulburn, Omeo districts, 7; Ovens, M'Ivor, Avoca, 8; Maryborough, Dunolly, Ararat, Tarnagulla, Talbot, St. Arnaud, Pleasant Creek (Stawell), 98; restlessness of miners, 99; disorganisation in public service, i., 342, 343; Lord Derby concedes entire gold revenue for maintenance of law and order, 358; crime, debauchery and confusion, 364 *et seq.*; roads to goldfields and cost of carriage, 377; by 1854 mining becoming an ordinary industry, 378; mainly workers for wages, 1858, ii., 21, 98, in 1895, 116; character of the miners, 24; law-abiding, 25.

Gold discoveries at Port Curtis (Queensland), Kiandra (N.S.W.) and in New Zealand draw away miners from Victoria, ii., 99.

Goldfields management, ii., 1 *et seq.*; licences issued, Commissioners appointed, legislation enacted, 10; police venality, 11, 14; miners evade payment of fee, 12; export duty on gold suggested, 15; Bendigo miners petition for reduction of fee, 16, 17; reduction made, 18; Goldfields Act assented to, 19; visit of Sir Charles Hotham, 19; his remarks on the officials, 20; 70,000 miners at end of 1854, 21; revolt of the diggers, riots at Ballaarat, etc., 22-46; Goldfields Commission appointed, 49; its report, 52; "Miner's Right" and an export duty substituted for the obnoxious licence fee, 53; gold duty surrendered, 121; mining legislation, 178, 246.

Gold production by 1854, £33,000,000, i., 378; in 1856 and 1863, ii., 97; quartz mining, 98; miners, 98; Chinese, 98; miners and gold product in 1865, 116; in 1875, 177; mining machinery, 178; diminishing returns, 1885 to 1895, 257; increased production of gold, 1893, 320.

Gordon, General Charles, enthusiasm evoked by his fate, ii., 341.

Goulburn River, discovered by Hume and Hovell, 1824, i., 55; gold diggings, ii., 7; irrigation in valley of, 256.

Government, Local Self-, first recorded "Case," and award in disputes, i., 148; first impromptu parliament, 150-152; government under Superintendent Latrobe, 178 *et seq.*

Government, Municipal. See Local.

Government, Representative: Constitution Act of 1842 carried through British

Parliament by Lord Stanley, i., 286; proclaimed, 263; its main provisions, 278 *et seq.*; Port Phillip sends six members to Legislative Council, 1843, 258, 263; Australian Government Bill enacted, 297-299; introduced 1851, 299-300; and Victoria Electoral Districts Bill discussed in Sydney, 301; ballot principle and reconsideration of northern boundary rejected, 301; Lieut.-Gov. Latrobe proclaimed, 15th July, 1851, 302; members of Executive Council sworn, 303; owing to gold discoveries no rush of candidates, 338; the elected and official members for Melbourne and other districts, 338-340; their first session 11th Nov., 1851, to 6th Jan., 1852, 342; occupied with goldfields regulations, squatters' leases and rights of pre-emption, 343 *et seq.*; increase of members of the Council, but its Constitution inchoate, 359; legislates for goldfields, ii., 19; invited to frame a New Constitution, i., 359; Mr. Foster suggests two Chambers, and introduces Bill, 360; its discussion, 361; qualification of members, 361; progress of the Bill through British Parliament, 362; its important points summarised, 362, 363.

Government, Responsible: New Constitution, 1855, i., 356; Two Houses—Legislative Council, Legislative Assembly, qualifications of members and electors, 363; lauded by Gov. Hotham, 390; proclaimed, ii., 56; Electoral Bill pushed forward, 61; resolution on ballot moved, 61; carried, 62; Reform Association denounces Constitution, 63; first Election, 63; members sworn, 69; Speaker chosen, 69; the Assembly and the Governor's "command," 69; coercion of the Upper House, 70; abolition of L.A. members' qualification, 74, 77; Manhood Suffrage, 77; Bill for re-distribution and increase of members rejected by Upper House, 79; Bill re-introduced, passed, duration of Parliament shortened to three years, 79; property qualification of electors reduced and franchise for Upper House extended to the learned and professional classes, 80; Second Parliament elected, 80; stormy passage of Land Bill, 1860, 81-83; Legislative Chambers invaded by the mob, Riot Act read, mounted police drive crowd out of Parliament Yard, 83; Act passed to protect Parliament and to prevent disorderly meetings, 84; Payment of Members, 87; conflict between the two Houses, 91; era of Constitutional struggle, 1864-68, 113 *et seq.*; Tariff tacked to Appropriation Bill, and "laid aside" by the Legislative Council, 123; payment of salaries delayed and Customs duties collected in defiance of Supreme Court decisions, 124; resolutions passed in Assembly not to entertain any other Appropriation Bill, 125; address to the Queen adopted in Upper House, 125; their resolution to appeal to Privy Council scouted by Lower House, 125; Government borrows, Chamber of Commerce protests and 20,000 citizens petition the Queen for maintenance of the Constitution, 126; Tariff Bill with new preamble and retrospective clause rejected by Council, 126; Parliament prorogued and Assembly dissolved, 127; Bill sent to Council, again rejected, 130; Constitution said to have failed, 130; Parliament prorogued and summoned following day, Bill sent up again, news of Governor's recall, conference between delegates of both Houses, Appropriation Bills, 1864 and 1865, passed, 133; interim administration by Gen. Carey, 135; Manners-Sutton new Governor, 135; opens Parliament, Jan., 1867, 137; the "Darling Grant" tacked to Appropriation Bill, opposition in both Houses, 140-142; another "deadlock," Ministry resigns, payments made under Crown Remedies Act, resignation withdrawn, temporary Supply Bill passed reluctantly by Council, 142; Parliament prorogued 10th Sept. to meet 18th, vote to Lady Darling passed, but rejected by Council, 143; attitude of Duffy, 143, 151; interim payments made by revised use of Crown Remedies Statute, 143, 144; demonstrations in Melbourne against Council, 1867, 144; its attitude one of defence, 147; qualification of its members and electorate reduced one-half, 1869, increasing electors of the Upper House to 20,000 (grown to 30,000 when further amending Act passed in 1881, and tenure of seats reduced to six years), 148; Local Government Act, 1874, 173; Payment of Members,

180; stonewalling tactics of Opposition, 186 *et seq.*; "The Iron Hand" remedy passed, 188; New Electoral Bill promised, 188, 189; New Parliament, eighty-six members elected on enlarged roll, 191; another "deadlock" on Payment of Members, 197; wholesale dismissal of civil servants, 198; irregular expenditure, 200; re-appointment of most of dismissed officials, 201, 202; proposed Constitutional Reform and the Berry Embassy to London, 203 *et seq.*; "Reform of the Council," 204; Sladen-Cuthbert Bill to increase provinces and members, reduce tenure and qualifications, 204; Bill from Lower House, 205; suggested plebiscite, 205; results of "Embassy," 209; New Reform Bill lost, 209; dissolution conceded, 210; 1880 memorable year, two General Elections, three Ministries, two Speakers, 210; Service Reform Bill rejected, 211; Legislative Council Reform Bill of 1881 enacted, 215; business of twelfth Parliament, 1883-85, 242 *et seq.*; Electoral Act, 1888, increases members of both Houses, 273; cost of salaries of ministers, members and officials, and of *Hansard*, 274; Government and the Great Strike, 1890, 282 *et seq.*; Ministries of Munro, 289; Shiels, 289; Patterson, 290; Turner, 320-326; Referendum proposed, 324; prophecies as to reforms under the Commonwealth, 328; results of Responsible Parliamentary Government, 343; members free from corruption, 344; much legislation experimental, 344; effects of Manhood Suffrage, 345; "one man one vote," 346; from one-half to two-thirds of the electors vote, 346; Payment of Members, 347.

Governor as Queen's representative, the one connecting link of power retained by the Crown under the New Constitution, 1855, i., 363. See Governors Barkly, Bowen, Brassey, Darling, Hopetoun, Hotham, Latrobe, Loch, Manners-Sutton, Normanby.

Governors, Lieutenant- and Acting-. See Foster, Macarthur, Carey, Stawell, Robinson, Sir Wm., Madden; also Higinbotham, who declined to refer domestic affairs to Colonial Office, ii., 269.

Graham, George, M.L.A., joins Munro Ministry, ii., 289.

Grant, Lieut. James, in the *Lady Nelson* discovers parts of the coast of Victoria, 1800, i., 17; with Ensign Barrallier surveys coast, plants seeds on Churchill Island, Western Port, 1801, 18, 19.

Grant, James McPherson, speaks at mass meeting, Melbourne, for diggers, ii., 47; elected M.L.A., 65; welcomes Duffy, 68; joins McCulloch Ministry, 91; introduces Amending Land Bill, 1865, 119; passed as Land Act, 1869, by McPherson Ministry, 152; Minister of Lands in Duffy Cabinet, 157; his policy, 158; Solicitor-General, Berry Ministry, 183; Chief Secretary in O'Loghlen Ministry, 217; winds up on O'Loghlen's defeat at poll, 239; decease, 249; £4,000 voted to his family, 261.

Grattan address, ii., 237.

Gray, Wilson, welcomes Duffy, ii., 69; organiser of "Liberal" Party, 77; M.L.A., attacks Land Bill, 1860, 82; charged with exciting riotous proceedings, 83; Judge in New Zealand, 114.

Greeves, A. F. A., M.D., i., 323; Melbourne town councillor, 267; advises against electing members for Legislative Council, N.S.W., 292, 293, 295; on Goldfinding Committee, 337; defeated for Legislative Council, 1851, 338; on Constitution Committee, 360; proposes vote of censure on Gov. Hotham and his Ministers, ii., 60; Commissioner of Customs, 76.

Grey, Earl, Colonial Policy, i., 205, 206; lands, 207; transportation of "exiles," 270, 271; misled by contradictory utterances, 277; reconsiders question of Separation, 292; elected to N.S.W. Legislative Council for Melbourne, 1848, 294; explanatory memorial prepared and forwarded, 294; did not formally decline the seat till Australian Government Bill passed, 1850, 294; withdraws Federal clause, 298; acknowledges services of Latrobe as superintendent, and appoints him Lieut.-Governor of Victoria, 303.

Grey, Sir George, Colonial Secretary, and the Henty claims, i., 83.

Grey, Sir George, M.H.R., New Zealand, at National Australasian Convention, Sydney, 1891, ii., 335.

Griffith, Charles, visit to the aboriginal station at Mt. Rouse, 1842, i., 230, 231; his remarks on land fund and immigration, 253; candidate for Speakership, Legislative Assembly, ii., 69.
Griffith, Sir S. W., represents Queensland at Federal Council, Hobart, Jan., 1886, ii., 333; drafts Commonwealth Bill, 1891, 335.
Grimes, Charles, and Robbins survey Port Phillip Bay, 1803, i., 25, 26, 97.
Grimes, Edward, immigration department, i., 366; Auditor-General, 366; on Committee of Finance, 1854, 383.
Gurner, H. F., Crown Solicitor, 1851, Clerk Supreme Court, i., 259; on correct name of the Yarra Yarra—"Yanna Yanna," 129.

Haines, Wm. Clark, nominated member first Legislative Council, Victoria, i., 340; Colonial Secretary, ii., 55; his history and character, 56; relieved of office and reappointed, 59; his Ministry resigns, 61; but resumes office, 62; elected M.L.A., 65; again consults his colleagues, 74; resigns, 75; joins McCulloch, 76; his Land Bill rejected by Upper House, 78; Bill for increasing Members of Assembly thrown out, resigns, 78; Treasurer in O'Shanassy Ministry, 87; and railway loan, 94; opposes Heales' Education Bill, 1862, 163.
Harbour Trust for Port of Melbourne, ii., 188, 189; Sir John Coode's plans, 189; carried out, 190; borrowings, 297.
Hargraves, E. H., discovers gold, N.S.W., i., 336; ii., 1.
Harker, George, M.L.A., Treasurer in Chapman Ministry, ii., 79; Director Bank of Victoria, 95.
Hart, W. H., of Bank of Australasia, on Committee of Finance, 1854, i., 383.
Harvests. See Agriculture, Produce.
Hastie, Rev. W., resident at Buninyong, ii., 4.
Hawdon, Joseph, brings stock overland from N.S.W., 1836, i., 174; conveys mails between Sydney and Melbourne, 175.
Hayes, Timothy, chairman at Ballaarat meeting, ii., 34; advises moderation, 35; taken prisoner and committed for trial, 44; acquitted, 51, 53.
Hayter, H. H., statistics of crime, ii., 170.
Heales, Richard, social reformer, temperance lecturer, ii., 85; elected M.L.A., 65; attacks Land Bill, 1860, 83; "elected" Chief Secretary, 85; his Land Act, 85, 86; Ministry defeated, granted a dissolution, 87; joins McCulloch Ministry, his Education Act, 91; Bill to amend Duffy's Land Act, 113; his death, 1864, 85, 119.
Health, Department of, ii., 254.
Hearn, W. E., Professor, drafts Duffy's Land Bill, ii., 89, 90; on Reform of Legislative Council, 205.
Henty family, their history, at Swan River, 1829, i., 77; in Tasmania, 1831, settled at Portland Bay, 1834, 79; their treatment by the Government, 77, 82-87, 114; asked no Government protection, their intrusion officially unnoticed, 181; settlement proclaimed, 1840, 313, 314.
Hepburn, John, brings stock overland from N.S.W., 1836, i., 174; occupies Smeaton Hill Estate near Clunes, 175.
Hesse, Mr., accompanies Gellibrand, i., 160; lost in the bush, 161.
Hicks-Beach, Sir M., on differences between Legislative Council and Assembly, ii., 201; and the Berry Embassy, 207, 208.
Higinbotham, George, M.L.A., "the most striking figure in Victorian politics," ii., 139; his conscientiousness, etc., i., 241; a dweller in Canvas Town, 368; editor of the *Argus*, ii., 78; supports Heales' Education Bill, 1862, 163; (with McCulloch), under Gov. Darling, virtual ruler of the colony, 112; anti-Protectionist, 119; but introduces Tariff Bill, 122 *et seq.*; dominates Parliament in 1867, "fair in debate, extreme in action," 137; "self-seeking conspicuously absent," his devotion to official duties exceptional, his weakness as a politician the result of his strength of character, 138; denounces Irish Home Rule, 139; would have abolished Legislative Council, the theory of a Second Chamber unworkable, 139; defends grant to Lady Darling, condemns its opponents as "a vile faction," 140; the

Council an "oligarchy" not required, 144; joins new Cabinet of McCulloch (unpaid), 145; moves address in the Assembly in detestation of crime of shooting Prince Alfred, 151; Chairman of Royal Commission on Education, 1866-67, 163, 164; on Payment of Members, 180; scene with McCulloch, 185; "a waning power," 185; disapproving "stonewall" tactics resigns, 187; as Chief Justice of Victoria, not being allowed preference of the Speaker, absent from procession at opening of Exhibition, 1888, 266; President of the Exhibition Commission, alarmed at its financial pace, renounces his responsibilities, 267; jealousy of Downing Street, 269; Chief Justice, 269; declines knighthood, 269; declining to communicate with Colonial Office on domestic affairs, Sir Wm. Robinson appointed Acting-Governor during absence of Lord Loch, 269; supports Government against Chinese immigration in case Ah Toy *v.* Musgrove, 273; his desire for colony to remain part of the British Empire, 340.

Hobson, Capt., in the *Rattlesnake* at Port Phillip, i., 153, 154; his instructions and staff, 155, 156; again at Port Phillip, with Gov. Bourke, 163.

Hoddle, Robert, surveyor, i., 163; lays out Melbourne, etc., 165-167, 242; conducts first land sale, 169, 209, 211; purchases lots, 393.

Hodgson, John, candidate for first Victorian Legislative Council, i., 338; purchaser of Melbourne lot, 394; member of Goldfields Commission, ii., 53.

Hoey, Cashel, Secretary to Agent-General, ii., 160.

Home Rule for Ireland denounced by Higinbotham, ii., 139.

Hopetoun, Earl of, Governor, his liberality, generosity, etc., arrives on the eve of troublous times, ii., 275; sanctions Sir J. Patterson's appeal to country, 1894, 320; returns to England, 1895, 325; appointed Governor-General of the Commonwealth, 338.

Hospital, Melbourne, inauguration of, i., 257; theatricals on behalf, 327.

Hotham, Sir Charles, Governor, his arrival hailed with delight, i., 388, ii., 73; his first levee, i., 389; confronted with prospective deficiency in revenue, 382; his efforts to adjust expenditure, 383; mendacious accusations against his retrenchments, 384; made mistakes, but always sound in finance, 384; his opposition to nepotism and corruption, 384; lays foundation-stones of University and Public Library, 386; visits goldfields, ii., 19, 25; quarrels with the diggers, 22 *et seq.*; receives deputation from Ballaarat and refuses demands, 32; sends troops, 33, 34; instructs Commissioner to enforce law, 35; asks for troops from Tasmania, 46; appoints Goldfields Commission and dismisses petitioners on behalf of imprisoned diggers, 49; denounced for his obstinacy and impulsiveness, 52; inflexibility, 54; the New Constitution, 1855, and his ministers, 56-58; inaugurates Melbourne gas-works, 61; his illness and death, 61, 62; on railway policy, 92.

Hovell and Hume's overland journey, 1824-25, i., 48-62; Hovell accompanies expedition to Western Port and surrounding districts, 1826, 63-67.

Howitt, Alfred W., his works on Australian aborigines, i., 215; conducts expedition in search of Burke and Wills, discovers one survivor, afterwards brings back remains of the leaders, ii., 110.

Howitt, Richard, his story of Batman, i., 99; his *Impressions of Australia Felix*, 250, 307, 368.

Hume and Hovell's journey overland to Port Phillip, 1824-25, i., 48-62.

Humffray, J. B., Secretary Ballaarat Reform League, ii., 30; one of deputation to Governor, 32; reports result to mass meeting, 34; advises moderation, 35; and to stand on the defensive, 39; chosen representative of Ballaarat in Legislative Council, 46; elected M.L.A., 65; Commissioner of Mines, 85.

Hunter, Capt. John, captain of the *Sirius* in the First Fleet, 1787, and subsequently governor of the colony of N.S.W., i., 3; convoys Fleet from Cape to Botany Bay, 13; sends out exploring expeditions, Bass Strait discovered, 1798, 15, 16.

Immigrants and immigration: Labour immigration, i., 204; on relative proportion of English, Irish and Scotch arrivals in 1841, 248; in 1842, 249; revival of immigration, 268; arrival of free "exiles" in 1844-45, 271; superior class of immigrants attracted to Port Phillip, 322, 323; proportion of revenue devoted to immigration, 341; arrivals during gold fever, 1851-54, 364 *et seq.*; immigrants' homes, 366; the general desire to make fortunes and go "home," 369; character of immigrants, ii., 24, 25; Immigration Bill, and agent in England appointed, 74; checks to immigration, 100; petitions for State assistance, 248; hostility to, 248, 352. See Emigration, Shipping.

Imports during gold fever, 1852-54, i., 369, 380; waste and pilfering, 369; congestion at the wharves, 370, 377; flour from California and Chili, 375; miscellaneous goods consigned on speculation, 377; dutiable goods refused by consignees, sold by Customs, 377, by wharfingers and lightermen, 378; resulting losses, 378; excessive imports, 1885-91, ii., 297; reduced, 1892, 315; imports, 1867, 1868, 1889, 1900, 351. See Exports.

Income tax proposed, 1893, 319, 320; introduced, 1894, 322.

Indented Head, named by Flinders, 1803, i., 24; Batman's original Settlement, the "Plymouth Rock" of Victorian colonisation, 104; distantly seen by Mitchell, 1836, 94; conveyed by blacks to Batman, 109; and occupied by his party, 112; appearance there of Buckley, 124; Peninsula (Bellarine) surveyed by Wedge, 122, 127; visited by Gellibrand, 143; occupied by Swanston's cattle, 146; Wedge sojourned there, 149.

Industries. See Manufactures, Protection.

Ireland, R. D., defends Ballaarat rebels, ii., 50; elected M.L.A., 65; opposes Haines' Land Bill, 78; Solicitor-General in Chapman Ministry, 79; Attorney-General in Heales Ministry, 85; retires from office, 88; joins O'Shanassy Ministry, 88; rejected at election, 1864, 114; condemns grant to Lady Darling, 140; against Education Bill, 1867, 164; and Chinese residence tax, 234.

Irish immigrants, i., 247 *et seq.*; Irish disloyalty, ii., 231. See Duffy, O'Shanassy.

Irrigation, Irrigation Act and Irrigated Lands, ii., 253-256. See Mallee, Public Works, Water Supply.

Irving, Prof. M., Commissioner of Public Service, ii., 243.

Isaacs, I. A., M.L.A., seceded from Patterson Ministry, 1893, Attorney-General, Turner's Ministry, 1894, ii., 321.

Jeffcott, Mr. Justice (afterwards Sir Wm.), his appointment, i., 261; resigns, 1845, 262.

Jenks, Prof., his work *The Government of Victoria*, referred to on the Land Laws, i., 208; on Hotham and his Ministers, ii., 59.

Johnston, J. S., deputed to Geelong to dissuade electors from voting, 1848, i., 295; elected to first Victorian Legislative Council, 338, 340; Minister of Land and Works, ii., 87.

Jones, C. E., M.L.A., on the Darling Grant, ii., 141.

Jones, Joseph, M.L.A., Minister of Public Works, ii., 185.

Kalizoic (Esthetical) Society, ii., 265.

Kelly Gang of Bushrangers, ii., 223 *et seq.*

Kennedy, Thomas, Ballaarat reformer, ii., 32, 34, 35.

Kerferd, G. B., M.L.A., joins Francis Ministry, ii., 162; succeeds as Premier, 172; resigns, 176; joins new McCulloch Ministry, 184; Service Ministry, 211; Service-Berry Ministry, 241; Judge of Supreme Court, 249; appointment vindicated and justified, 250; his death, 250; against Chinese immigration in case Ah Toy *v.* Musgrove, 273; delegate Federal Convention, Sydney, 1883, 333.

Kerr, Wm., Town Clerk, Melbourne, his connection with the "Separation Movement," i., 284; edits the *Patriot* and the *Argus*, 325; drafts "Convicts' Prevention Act," 347.

King, Governor P. G., urges settlement of Port Phillip, i., 25; sanctions removal of establishment to the Derwent, 44; with regret, 46.
King, Capt. P. P., accompanied Bourke to Port Phillip and made map, i., 163, 167, 168; street in Melbourne named after him, 166.
Kingston, C. C., goes to London to assist in passing Commonwealth Act, ii., 338.
Knopwood, Rev. R., at Port Phillip, 1803, i., 30; sermons, 35.
Kyte, Ambrose, gives £1,000 towards exploring expedition, ii., 105.

Labilliere, F. P., his *History of Victoria* referred to, i., 42, 149, 398.
Labouchere, Rt. Hon. H. (Lord Taunton), on a proposed Federal Assembly for Australia, 1857, ii., 330.
Labour and labour questions: Labour immigration, i., 204; disorganisation of labour during gold fever, 374; rates of wages, 1856, ii., 71; unemployed provided for on public works, 100, 101; labour and wages ample in 1865, fallen to a deplorable condition in 1895, 116; dearth of labour, 1884-86, 248; strikes and labour troubles, 254; labour largely concentrated in Melbourne, 257, 356; relief works refused by Gillies, 1890, 278; the great maritime strike, 1890, 278, 288; labour diverted into artificial channels, 351: affected by burdensome duties, 351; unemployed, how produced, 352; labour organisations representing the people, 257, against State-assisted immigration, 248; Trade Unions' influence, 278 *et seq.*; Melbourne Trades Hall Council, 278; Amalgamated Miners' Association, 279; Shearers' Union, 279; Carriers' Union, 279; Seamen's Union and *Corinna* case, 280; Cooks and Stewards, 280; Stevedores, 281; Carters and Wharf Labourers, Gas Workers' Unions, 282; Marine Officers' Association, 280; Institute of Marine Engineers refuse to strike, 282; gas supply stopped, Government takes action, 283; mass meeting held, 283; H. H. Champion, English labour leader, advising moderation is denounced, 284; International Labour Conference (Sydney) orders shearers to cease work, 284; a fatuitous step, work generally resumed, 285; Marine Officers withdraw from the Trades Hall Council, 285; finances of labour movements, 287; effect of labour strikes, 1893, 291.
Lalor, Peter, Ballaarat reformer, ii., 30, 34; chosen leader, 37; defends Eureka Stockade, 40; wounded, 41; £200 offered for, 44; he escapes capture, 45; represents Ballaarat in Legislative Council, 46; votes for censure of Hotham and his Ministers, 60; M.L.A., 65; declined knighthood, 161; Minister of Customs, 183; elected Speaker, 213; voted £4,000 on his vacating position, 261, 270.
Landells, G. J., second in command Burke's Exploring Expedition, ii., 105; quarrels with leader and returns, 106.
Lands proclaimed Port Phillip, i., 152; surveyed, 157; first sales, 169, 172, 200-213, 391-395; land speculation, 1838, 172, 213, 250; in 1840, 251; large land grants in Western Australia, 179; Crown lands regulations, N.S.W., 194, 196, 201; land grants in N.S.W., 200, 208; area alienated, 201; fixed prices, 201; Special Surveys, 202, abolished, 203; Crown Lands Sales Act, 1842, 203; policy of Land Acts of Victoria, 204; cultivated land, 1841, 204; grazing licences, 204; Act of 1846, regulations, 1847, as affecting the squatters, 206; settled, intermediate and unsettled districts, 207; land funds used for immigration purposes, 253; land under cultivation, 1851, 305; sales at Geelong, 1837, 311, 312; Wakefield system, 314; public demand for land, 352, 353; Latrobe advises amendment of Orders in Council, 355; land alienated to squatters under pre-emption claims to 1854, 356; British Act repealing that of 1842, gives absolute control of lands to the colonists, 358; land "boom," 1853, 364; heavy fall in value, 1854-55, 364; land speculation in the suburbs, 379; cry of "unlock the lands," 380; land out of cultivation during gold fever, 375, 380; sales, 1853-54, 690,000 acres, 381; grants for University and colleges, 385; land alienated and unsold, 1856, ii., 71; land sold at absurdly low price, 100; source of future troubles, 71; Haines' Land Bill, thrown out by Upper

House, 78; Land Convention, 80; Service Land Act, 1860, 81-83; Heales' Land Act, 85, 86; character of the selectors, 86; "Occupation Licences," 86, 87; Duffy Land Act, 1862, 88-90; the land revenue and railways, 93; Heales' Bill to amend Duffy's and create "poor squatters," 113; land under cultivation, 1865, 116; Land Act, 1865, 119; its results, 120; Land Act of 1869 (in force until 1878) passed by McPherson Ministry, 152; its provisions, 153; lands alienated by these Acts, districts favoured, 153; towns fostered, 154; land taxation, 193, 194; Commissioners appointed, 195; Act passed by Assembly, 195, and by Council, 196; Mallee Land Act, 246; land under culture, 248; land boom of 1888, and its effects, 292; Land Act, 1898, 323; Land Tax proposed, 324; land legislation experimental, 344; much settlement makeshift, 345; land under cultivation in 1866 and 1900, 351, 355; land alienated up to 1900, 355; holdings mortgaged, 355. See Geelong, Melbourne, Portland, Squatters.

Landsborough, W., expedition in search of Burke and Wills, ii., 110.

Lang, Dr. J. D., on land policy, i., 206; on character of immigrants, 1841-42, 248; elected for P.P. district, 1843, 280; a champion of Separation, 283; his speech in N.S.W. Legislative Council, 286, 287; his character and colonial history, 289; visits Melbourne, 290; urges new petition to the Queen, 290; is fêted, 1846, 292; goes to England "a thorn in the cushion" of the Colonial Minister, 292; his *Phillipsland* quoted, 312, 313; and Presbyterian controversy, 326; on the first Legislative Council of Victoria, 341; desires Duffy to remain in N.S.W., ii., 68.

Langhorne, George, and Melbourne Aborigines Mission Station, i., 222; buys allotment, Melbourne, 395.

Langlands, Henry, chairman at mass meeting in Melbourne on the Ballaarat disturbances, ii., 47.

Langridge, G. D., M.L.A., Commissioner of Customs in Service-Berry Ministry, ii., 241; in Munro Ministry, 289.

Langton, Edward, Free Trader, M.L.A., opposes Darling Grant, ii., 141; Treasurer in Sladen Ministry, 145; in Francis Ministry, 162; against Education Bill, 1867, 164; retires from Ministry, 173; votes against Service's Modified Tariff, 175; on the Public Finances, 277.

Latrobe, C. J., Superintendent P.P. district, i., 177; his instructions, 177; powers, 178; arrives Melbourne, 1839, 169, 177, 245; character and early administration, 240 *et seq.*; on the aborigines, 228, 231 *et seq.*; his salary 241, 259; reception, 241; unpropitious elements, 246; addresses, 246; orders wharves, lighthouse, 246; purchases allotment and builds "Jolimont," 251; his modest establishment, 322; reserves park lands and botanic gardens, 256; social interests, 257; denounced as adverse to "Separation," 258; receives first mayor and councillors, 266; settles the Henty claims, 86; opposes Land Act, 1846, 206; welcomes Bp. Perry, 1848, 269; on V.D.L. "Expirees," 272; petition for his recall, 275, 291; firm in not allowing convicts to be landed, 275; pronounces for "Separation," but against a representative body, 291; denounced by Town Council, 291; shocked at Earl Grey's election to Legislative Council, 294; proclaims Separation Act, 1850, 299; goes to Sydney to assist in preparation of Electoral Bill, 301; lays foundation-stone of Princes Bridge, 1846, and opens it, 1850, 300, 308; his services as Superintendent acknowledged by Earl Grey, 303; proclaimed Lieut.-Governor of Victoria, 1851, 302; chooses Executive Council, 340, 341; his anxiety and strain during gold fever, 342 *et seq.*; ii., 5 *et seq.*; suggests export duty on gold, 15; consents to Convicts Prevention Act, i., 347; difficulties with the squatters, 352; assailed by the Press as their tool, 353, 354; advises Colonial Office to amend Orders in Council, 355; his care for immigrants, 367; attacked by *Argus*, "Wanted a Governor," 380; inaugurates waterworks, 330, 384; his efforts on behalf of Education, the University, Public Library, etc., 386; last four years of his administration, 387; destructive "metropolitan" criticism, 387; resigns, sends wife and family to England, 388; her death, 388; his departure for England, May, 1854, 386; leaves Melbourne a well-paved, fairly lighted

and convenient Metropolis, 384; advises Duffy to go to Australia, ii., 66; his death, 1875, i., 386.
Le Souef, Wm., Protector of aborigines, i., 230.
Levien, J. F., M.L.A., Minister of Mines, ii., 241.
Liquor, sale prohibited on goldfields, ii., 14; limited number of licenses issued, 15, 19.
Literature, art, music, science, latent forces for their development, ii., 70, 222, 264, 356; imported literature, i., 324. See Press.
Lloyd, G. T., referred to, i., 110, 160; searches for Gellibrand and Hesse, 161.
Loans. See Debt, Education, Railways, Water Supply.
Local Government (Municipal), i., 279, 309, 384; ii., 74; borrowing, i., 381; Local Government Act, 1874: Municipalities, shires, road boards, management, powers, etc., ii., 173; illegal borrowing, 174; Municipal Councillors' Indemnity Act, 174; mining and other towns and their populations, 1875, 177; subsidies to, 260. See Debt, Geelong, Melbourne, etc.
Loch, Henry Brougham, Lord Loch, Governor, 1884-89, ii., 251; on Federation, general prosperity, etc., 1886, 257; opens and closes Exhibition, 1888, 266; visits England, 1889, 269; High Commissioner South Africa, 274.
London, foundering of the, in Bay of Biscay, ii., 136.
Longmore, Francis, M.L.A., joins Duffy Ministry, ii., 157; in Berry's Cabinet, 213; and Irish disloyalty, 232; loses seat, 237.
Lonsdale, Capt. Wm., police magistrate, and Superintendent of the Settlement, 1836-39, i., 153-178; street in Melbourne named after him, 166; favours name of "Glenelg" for that town, 165; appointed treasurer, 251; President Mechanics' Institute, 257; sells his allotment to Croke, 260; interim-Mayor of Melbourne, 1842, 266; Secretary Executive Council, 340; retires, 359; ii., 59.
Lorimer, Sir James, M.L.C., Minister of Defence, ii., 253; attends Colonial Conference, London, 1887, 268.
Lorne, Marquis of, Governorship offered to, ii., 251.
Lowe, Robert (Viscount Sherbrooke), and pastoral lands, i., 207; speaks and votes for Separation of Port Phillip, 288; suggests low franchise in Australian Government Bill, 1850, 298; criticises Australian Constitutions Bill, 1855, 362; advises Duffy to go to Australia, ii., 66.
Loyalty of Colonists attested by Trollope, Forbes, Froude, Davitt, ii., 339; evinced during visit of Prince Alfred, Duke of Edinburgh, 150; during South African War, 342; of Australian Natives Association, 340.
Lyttelton, Lord, and the Australian Government Bill, 1850, i., 298.

McAlister, Lachlan, purchases Melbourne allotment, 1837, i., 392; sends McMillan with stock to Gippsland, 1839, 317.
McArthur, D. C., opens branch of Bank of Australasia, i., 171; on Committee of Finance, 1854, 383.
Macarthur, Major-Gen. Sir Edward, administers Government on death of Hotham, ii., 62.
Macartney, H. B., Dean of Melbourne, his arrival, 1848, i., 269.
Macbain, Sir James, President L.C., succeeds Higinbotham as President of Exhibition Commissioners, 1888, ii., 268.
McColl, J. H., M.L.A., £2,500 voted to his family, ii., 261.
McCombie, Thomas, and *P.P. Gazette*, i., 325; advises against election of Members for Legislative Council, 1848, 292, 295; proposes Earl Grey, 293; on Gold-finding Committee, 337; animosity to Latrobe, 387.
M'Crae, Andrew M., his connection with the "Separation Movement," i., 284.
McCrae, G. G., reference to his legends of the aborigines, i., 216.
McCulloch, Sir James, action in relation to transportation to Western Australia, i., 277; elected M.L.A., ii., 65; Member of Committee on Federation, 1857, 331; with Haines forms his first Ministry, 76; joins Nicholson Ministry with Service, 81; and anti-Chinese legislation, 1862, 234; forms new Ministry, 91; under Sir Charles Darling virtual ruler of Victoria, 112; attitude towards Protection, 119; tacks Tariff to Appropria-

tion Bill, 122 *et seq.*; sends it again to Upper House separately but with aggressive preamble, appeals to country, returned with increased majority, 128; Tariff Bill again sent up and rejected, 130; crusade against the press, 131; fears publication of Colonial Office correspondence, 132; and the "Darling Grant," 141 *et seq.*; refuses to submit to dictation and resigns, 145; after interval of two months forms new Ministry, 145; supersedes McPherson who joins him, 1870, 154; his growing conservatism, 154; divorced from Higinbotham no longer the popular idol, 155; his squatting interests, 155; overthrown by the Protectionist Party, 156; knighted, 160; Agent-General and K.C.M.G., 160; attitude towards Education Bill, 1867, 164; votes against Service's Modified Tariff Budget, 175; on Payment of Members, 180; on increase in expenditure, ousts Berry and forms new Ministry, 1875, 184; scene with Higinbotham, 185; his Budget, 186; withdraws proposal for land, property and income taxes, 186; his "Iron Hand" government, 186; denounced by Berry and his colleagues as a traitor to the popular cause, etc., 187; stops "Stonewalling" with the Iron Hand, 188; leaves Victoria, 252, 331.
McCulloch, Wm., M.L.A., Minister of Defence, Turner Ministry, ii., 321.
Macedon, Mt., discovered and named by Mitchell, 1836, i., 94; ascended by Gov. Bourke, 167; its present aspect and associations, 168.
Mackay, Angus, Minister of Mines, ii., 162.
McKean, James, M.L.A., expelled for reflection upon members, ii., 190.
M'Killop, G., excursion into Gippsland, 1835, i., 396; attends first public meeting Melbourne, 1836, 150.
McKinlay, John, expedition in search of Burke and Wills, ii., 110.
McLean, Allan, Minister of Lands, Munro Ministry, ii., 289; displaces Turner Ministry, 1899, 321, 326.
Macleay, Alex., Colonial Secretary, speaks in N.S.W. Legislative Council against Separation of Port Phillip, i., 288; eventually votes for it, 291.
Macleay, George, accompanies Sturt, 1829, i., 69.
McLellan, Wm., Minister of Mines, ii., 185.
McMillan, Angus, discovers Gippsland, i., 317-321; Lakes Victoria and Wellington, Rivers Nicholson, Mitchell, Avon, McAlister, and Glengarry (Latrobe), names country "Caledonia Australis," 1839-40, 318.
McPherson, J. A., forms Ministry, ii., 152; passes Land Act, 1869, and is put out, 154; joins McCulloch, 1870, as Minister of Lands, 155.
Madden, Frank, M.L.A., ii., 324.
Madden, Sir John, Minister of Justice in McCulloch Ministry, ii., 185; in Service Ministry, 211; Chief Justice, 317; Lieut.-Governor, 326.
Mails overland to Sydney, etc., and by sea in 1837-39, i., 169, 170, 175; between Melbourne and Europe, 328, 329.
Mallee district visited by Gov. Hopetoun, ii., 275; increased settlement of, 323; Mallee Land Act, 246; Mildura, 159. See Irrigation.
Manhood Suffrage introduced, i., 363.
Manifolds, settlers, Geelong district, i., 176.
Manners-Sutton, Sir J. H. (Viscount Canterbury), Governor, ii., 135; Disraeli on his fitness, 135; opens Parliament, Jan., 1867, 137; the Darling Grant and "deadlock," 142; advises concurrence in the vote, 143; accepts McCulloch's resignation, communicates with Fellows and Sladen, 145; refuses dissolution to Duffy, 161; his judicial impartiality, 178; returns to England, March, 1878, 178.
Manufactories, i., 256; manufacturing to be promoted by Parliament, ii., 114; manufactories, mills and machinery, 1865, 116; local manufactures at Exhibitions, 1866, 220; foreign exhibits, 1880, 221; artificial industries restrict real production, 293; Factories Acts, 322. See Protection.
Marine Board, ii., 254.
Maryborough town, ii., 21; fêtes Gov. Hotham, i., 389; railway, ii., 177.
Meagher, Irish rebel, i., 292; ii., 68.
Melbourne, site of, surveyed by Grimes, 1803, i., 26, 97; reserved as village by Batman, June, 1835, 97, 111; founders and founding of, 97-127; its

appearance in 1835, 121; first house built, 122; Fawkner arrives, 129; Gellibrand sees about a dozen huts, Jan., 1836, 141; "the Settlement," 1836, 145; first clerical service, 146, 147; first "case" and award, 148; first magistrate arrives, 148; settlement called Bearbrass (?), Bearhurp (?), also "Batmania," 149, 165; its first recorded population, statistics of stock, etc., 149; township plotted, 157; first census, 158; first banquet, 158; site visited, 1837, streets and town laid out, and named by Gov. Bourke after the Prime Minister, "Melbourne," that at the Port after the King, "Williamstown," 165-168; first and second sales of town lots, 1837, 209-212, 391-395; value of these in 1890, 212; third sale held at Sydney, 1838, 213; town visited by Backhouse, 1837, 170; by Lady Franklin, aboriginal corroboree held, 1839, 173; population, buildings, suburbs, churches, club, on arrival of Latrobe, 1839, 169, 242-245; first immigrants from Great Britain, 247; Melbourne Harbour Trust, Mechanics' Institute and Athenæum, Hospital, 257; town incorporated, 1842, 257; its original boundaries and Constitution, 263-268; Supreme Court established, 1841, 258; new building opened, 262; contrast with present palatial Courts, 263; old burial ground, 263; first Mayoral procession, 266; first rate struck, 1s. in the £, 266; distraint against defaulters, 267; rate lowered, 267, suspended, 268, and improvements stopped, 268; 6d. rate levied, 1845, 268; Town Hall, present site granted, 1849, 268; erected into Bishopric, 1848, 258, 268; first Election, contest of members for Legislative Council, N.S.W., wars of "Orange and Green," Riot Act read, 281; martial law proclaimed, 282; *Chronicles of Early Melbourne*, by Edmund Finn quoted, 283, etc.; Earl Grey elected member for N.S.W. Legislative Council, 294; great demonstrations on receipt of news of the "Separation Act," fancy dress ball, Princes Bridge opened, etc., 299, 300; the gaol, 306; Public Library and National Gallery, 306; Working Men's College, 306; Yarra punts and Princes Bridges, 306-309; Post and Government Offices, Custom House, etc., 309; social aspects, 1845-51, 321 *et seq.*; under disadvantages—water supply, want of system of sewerage, 329, 330; inundations of the Yarra, 329; effects of "Black Thursday," 333; adult male population drawn to goldfields, 1851-52, 365; Melbourne as affected by the influx of population, social derangements, the overcrowded town, temporary immigrants' homes, Canvas Town, 366-375; building operations in town and suburbs, 368; congestion of goods at wharves, 370, 377; stranded families, extortionate prices, storage of luggage, 370; sales by the impecunious, and "Rag Fair," 371; dissipation among Fortune's devotees, 372; public-houses, 372; streets at night, 372; inquests during 1853, 373; streets by day, drays, waggons, bullock teams, startling orgies, 373; diggers' weddings, 374; theatres, concerts, dancing, circus and other amusements, 374; busy merchants, 374; disorganisation of labour, 374; cost of living, 375; commercial troubles, 375; auctioneering, 377; Corporation indebtedness begun, 381; in 1854, well-paved, well-lighted and a convenient Metropolis, 384; Exhibition, 1854, ii., 220; excitement caused by Ballaarat riots, 46; troops asked for from Tasmania, 46; mass meetings held, 47; gas-works inaugurated, 61; first Election under responsible government, 63; rates of wages, 1856, 71; open-air meetings in Eastern Market, invasion of Legislative Chambers, etc., 83, 84; progress of the city between 1856 and 1862, 97; demonstrations against Legislative Council, 1867, 144; visit of Prince Alfred, 150; Exhibition, 1880 (*q.v.*), opened 221; the era of extravagance, 253 *et seq.*; public buildings, 260; mansions, extravagant house decoration, 263; luxurious living, 264; Centennial Exhibition, 1888, gives impetus to artistic side of Melbourne life, music, painting, etc., 264 *et seq.*; sobriety and order of the crowds, 266; effects of speculation and land boom of 1888, 291 *et seq.*; population attracted and rise in values of houses and land, 294; inauguration of the Commonwealth, 1st Jan., 1901, 328; too many people congregated in the Metropolis, 356.

Mercer, Major George, Member of P.P. Association, i., 102; his shares, 131; selection of land, 133, 144, 145; his mission to England and his correspondence with Lord Glenelg, etc., 182 *et seq.*; purchases Melbourne allotment, 1837, 393; presides at "Separation" meeting, Melbourne, 13th May, 1840, 283; one of deputation to London, 1841, 285.
Metropolitan Board of Works (Melbourne), ii., 254.
Michie, Archibald, defends Ballaarat rebels, ii., 50; elected M.L.A., 65; Member of Federation Committee, 1857, 331; joins McCulloch Ministries, 76, 91; anti-Protectionist, 119; supports Protectionist Tariff, 121; rejected at poll, 128; Attorney-General in McCulloch Ministry, 1870, 154; Agent-General, 1874; knighted, 1878, 161; fathers Education Bill, 1858, 162.
Military, first contingent under Capt. Lonsdale, i., 156; increased under Latrobe, 244; during gold fever, pensioners spared from Tasmania, and regiment sent from England, 344; invoked to keep Hotham's official regulations, 390; military sent to Bendigo, ii., 17; more troops asked for from Tasmania, 17; troops sent to Ballaarat, 33; attacked on their entrance to town, 34; cavalry charge the crowd, 37; Eureka Stockade captured, 41-43; N.S.W. contingent sent to Soudan, 1884, 340, 341; various contingents sent to South Africa, 1900, 342. See Defences.
Miller, Henry, wealthy colonist, elected first Victorian Legislative Council, i., 340; on Committee to formulate Bill for New Constitution, 360; Chairman Bank of Victoria, ii., 95; attends Melbourne mass meeting on Ballaarat disturbances, 37; opposes Haines' Land Bill, 78; Commissioner of Customs, 79; joins McCulloch Ministry, 91.
Mining on private property, ii., 246; on waste lands, 10. See Goldfields Management.
Ministries. See Government, Responsible; also Haines, O'Shanassy, Nicholson, Heales, McCulloch, Sladen, McPherson, Duffy, Francis, Kerferd, Berry, Service, O'Loghlen, Gillies, Munro, Shiels, Patterson, Turner, McLean.
Mitchel, John, Irish rebel, i., 292; ii., 68.
Mitchell, Sir Thomas, expedition to *Australia Felix*, 1836, i., 81, 87-95, 334; "The Major's Line" becomes the Overlanders' route, 175; on the aborigines, 217; candidate for P.P. district, 1843, 280; the Mallee country, ii., 246.
Molesworth, Robert, prosecutes Ballaarat rebels, ii., 50; Solicitor-General, 59; judge, i., 323.
Moor, Henry, Member Melbourne Town Council, i., 267; proposes its abolition, 267; elected mayor, 267.
Municipal affairs. See Local Government.
Munro, James, financier, M.L.A., proposes vote of want of confidence in Gillies Ministry, ii., 276; leads Opposition, 277; on the maritime strike of 1890, 286; forms Ministry, 289; takes Agent-Generalship, 289; his connection with the Real Estate Bank, 308; and Federal Bank, 310; his recall, 317.
Murchison, Sir R., on gold in Australia, 1844, ii., 1.
Murphy, Francis, elected Speaker Legislative Assembly, ii., 69; re-elected, 114, 129; knighted, 161.
Murray, Lieut. John, with the *Lady Nelson* at Western Port, Dec., 1801, with Lieut. Bowen discovers Port Phillip, Jan. and Feb., 1802, i., 19-23.
Murray (Hume) River discovered by Hume and Hovell, 1824, i., 54; recrossed, 60; Sturt's voyage down the river to the sea, 1830, 71-75; Mitchell's journey up the river from the Darling, 1836, 89; recrossed, 94.
Murrumbidgee, crossed by Hume and Hovell, 1824, i., 52; proposed as boundary for P.P. district by Lord John Russell, 285; and for new colony of Victoria by Westgarth, 1851, 302.

Naylor, Rev. Mr., goes in search of Gellibrand and Hesse, i., 162.
Nelson, gold-ship, robbery, i., 345, 346.
New Caledonia and convicts, ii., 247.
Newcastle, Duke of, disallows "Convicts Prevention Act," i., 348; leaves colony to revise its own land laws, 355, 356; against constituting any

colony the seat of supreme government in Australia, 358; on claims of the squatters, 388; on Governor's salary, ii., 91.
New Guinea, annexed by Queensland, 1883, ii., 246, 333; Germany takes N.E. part, 247.
New Hebrides and the French, ii., 246, 247, 333.
New South Wales, limits of the territory, i., 136. See Western Port, Port Phillip and Portland Bay Districts, Separation, Victoria, Colony of; stock from Sydney side, 147; population from Sydney side, 285; during the gold fever, 365; attitude of her statesmen towards Federation, 327 *et seq.*; joins the Commonwealth, ii., 337. See Barton, Dalley, Dibbs, Parkes, Reid.
Newspapers. See Press.
Newtown, suburb of Melbourne. See Collingwood and Fitzroy, i., 243, 264.
Nicholson, Dr. Sir Charles, elected for P.P. district, 1843, i., 280; speaks in favour of "Separation," 288.
Nicholson, Wm., i., 323; joins Anti-transportation League, 276; on Gold-finding Committee, 337; defeated for first Victorian Legislative Council, 338; on Committee to formulate Bill for New Constitution, 360; proposes vote by ballot for Parliamentary Elections, ii., 61; commissioned to form Ministry, 61; fails to do so but carries the vote, 62; defeats Chapman Ministry, forms new one with McCulloch, Service and Fellows, 81.
Nickle, Sir Robert, Commander of Forces, goes to Ballaarat, ii., 36; proclaims military law and restores order, 46; his death, 62.
Nimmo, John, Minister of Public Works, ii., 253.
Norman, Capt., in the *Victoria* sent to rescue of diggers at Port Curtis, ii., 99; takes party to Gulf of Carpentaria in search of Burke and Wills, 110.
Normanby, Marquis of, Governor, ii., 208; his administration, 210; opens International Exhibition, 1880, 221; his term closed, 1884, 251.

O'Brien, Smith, Irish rebel, i., 292; ii., 68.
O'Grady, M.L.A., against proposal, Education Commission, 1867, ii., 164.
O'Loghlen, Sir Bryan, Attorney-General in Berry Ministry, ii., 195, 202; consulted by Gov. Bowen on its irregular financial proceedings, 201; and reform of Legislative Council, 205; Acting Premier and attitude towards *Argus*, 208; carries vote against Berry, 216; forms Ministry, 217; his weak and colourless administration, 230; against Irish disloyalty, 232; and anti-Chinese legislation, 235; obtains dissolution, loses seat, 237; Ministry wound up by J. M. Grant, 239; re-elected for Belfast, 274; on the maritime strike, 286; Attorney-General in Patterson Ministry, 318.
Omeo district, i., 317, 396; goldfields, ii., 7, 8.
Orton, Rev. Joseph, Wesleyan Minister, conducts first clerical service at settlement on site of Melbourne, i., 146.
O'Shanassy, John, i., 323, 339, 340; on Goldfinding Committee, 337; on opening the land for settlement, 354; attends mass meetings in Melbourne on Ballaarat disturbances, ii., 47; member of Goldfields Commission, 53; his advice sought by Hotham, 55; opposes ballot, 61; member for Kilmore, first Legislative Assembly, 63; welcomes Duffy, 67; formally presents him with a retaining fee of £5,000, 68; in Opposition, 73; on Federation Committee, 1857, 330; defeats Haines, forms his first Ministry, 75; defeated, 76; opposes Haines' Land Bill, 78; joins Chapman Ministry, 79; which is defeated, 81; forms new Ministry, 88; resigns, 90; Chairman of Colonial Bank, 95; assists railway loan of 1858, 95; again in Opposition, 114; protests against tacking Tariff to Appropriation Bill, 123; knighted, 1874, 161; opposes Heales' Education Bill, 1862, 163; opposes Service on Education matters, 212, 238; and Berry, 213; against Irish disloyalty, 232; loses seat, 237; his thirty-two years' active political career, 237; death, 238.
Outtrim, A. R., M.L.A., joins Munro Ministry, ii., 289.
Ovens River discovered by Hume and Hovell, 1824, i., 55; diggings, ii., 8.
Owens, Dr., Bendigo, speaks at Melbourne on behalf of the diggers, ii., 47.
Oxley, Lieut., and Lieut. Robbins examine Western Port, i., 46.

Palmer, Dr. J. F., i., 323; Mayor of Melbourne and Speaker of first Victorian Legislative Council, 340, 342; and Royal Commission Report on Squatting tenure, 358; with Gov. Hotham receives Ballaarat deputation, ii., 32; and Foster, 55; M.L.C., 65; President L.C., 69; knighted, 161.
Parker, E. S., Protector of the aborigines, i., 217, 224; his N.W. district, 226; his reports, 233; on numbers of natives and whites killed, 235.
Parkes, Sir Henry, invites Duffy to N.S.W., ii., 67; presses him to remain, 68; attitude on the Chinese question, 271; speaks in Melbourne on Federal Union, 1867, 332; submits draft of Bill for Federal Council, 1881, 332; his article in *Melbourne Review*, Oct., 1879, advocates a Parliamentary Union for N.S.W., Victoria and South Australia, 332; suggests Convention, 334; denounces sending contingent to the Soudan, 341.
Parliament. See Government, Responsible.
Pasley, Capt., M.L.C., Minister of Public Works, ii., 59.
Pastoral interests recognised by Gov. Bourke, i., 137, 138; ruined in 1842, 254; revived by "boiling-down" process, 1845, 255; Wool Lien Bill enacted, 283. See Squatters.
Patronage, political, ii., 349. See Duffy, Higinbotham, Service.
Patterson, J. B., M.L.A., Minister of Public Works, ii., 183; and Irish disloyalty, 231; on exit of O'Loghlen Ministry, 240; Premier, 1893, 290, 318; ineptitude of his Ministry during banking crisis, 1893, 314; knighted, 318; Minister of Public Works during strike of 1890, 318; defeated at poll, 1894, 320; resigns, 321.
Payment of Members, ii., 87; £150, £300 and £500 per annum proposed, 180; the "Keystone of democracy," 181; "the general question," 181; Bills thrown out by Legislative Council, 181; Select Committee reports, 182; Act passed, 1870, 182; renewed for three years, 1874, 182; subject comes up again, 1877-78, causes deadlock, 196 *et seq.*; Act passed authorising payment to present Parliament, 202; Act passed for Payment of Members of Assembly only, 214; its weak spot, 348.
Peacock, A. J., M.L.A., Chief Secretary Turner Ministry, ii., 321.
Pearson, C. H., historian and critic, member of Berry Ministry, and "Embassy," ii., 206 *et seq.*; Minister of Education, 253; Secretary to Agent-General, 318.
Penal Department (Victoria) reformed, ii., 102, 103, 104. See Crime.
Penal Laws of England in 1786, i., 1. See Transportation.
Pender, Michael, purchases town allotment, Melbourne, for £19, 1837, i., 392; sold in 1877 for £33,000, 212.
Perry, Bp., his arrival in Melbourne, 1848, i., 268; his irrational spirit and antipathy to Roman Catholicism, 269; retires 1874, 270.
Phillip, Arthur, appointed Governor of Convict Settlement, N.S.W., i., 2, 3; takes command of the First Fleet, 4.
Pioneers, Letters of, published by Trustees of Melbourne Public Library, 1899, i., 146, 174, 238.
Pohlman, R. W., i., 323; judge, returning officer P.P., 1848, returns writ for district "no Election," for Melbourne "Earl Grey," 293; Member Executive Council, 1851, 340.
Police, i., 279, 282; half the force deserts to goldfields, 344; owing to increase of crime increased police protection demanded, 347; expenditure, 1852-54, 382; police venality on goldfields, ii., 11, 14, 26, 28; force at Ballaarat strengthened, 32; cut down rioters, 34, 36; their conduct described as "brutal," 43; police force in Melbourne, Dec., 1854, 48, 49; police and the Kelly gang, 229. See Crime.
Population: first census, 1836, i., 158; 1836, 209; 1841, 204; population on arrival of Bp. Perry, 1848, 269; character and distribution of, 1851, 304, 305, 306; influx during "gold" period, 1852-54, 364 *et seq.*; at the arrival (1839) and at departure (1854) of Gov. Latrobe, 388; 1856, ii., 70; 1857 and 1863, 100; 1875, 176; mining population in 1858 and 1861, 98; aggregate population, 1886 (one million), 257; 1891, 336; 43 per cent. in Melbourne and suburbs, 116; no real increase 1895-1900, 323; population needed, 356.

Port Albert (Alberton), i., 207, 269, 316; visited 1841 by McMillan, 319; and by Orr's party, 321.
Port Phillip, discovered, surveyed and taken possession of by Lieut. Murray and Mr. Bowen in the *Lady Nelson*, Feb. and March, 1802, i., 20, 21, 22; entered and surveyed by Flinders in the *Investigator*, April and May, 1802, 23, 24; its shores surveyed by Lieut. Robbins and Surveyor Grimes, Jan. and Feb., 1803, 25; eligible settlement on the Yarra, 26, 46; abortive convict settlement on shores of, 1803, 27-46.
Port Phillip Association, its objects and plans, i., 102, 131; Batman "purchases" country on northern and western shores from blacks, 108, 109; opposition to claims, 132; stock brought from V.D.L., 140 141, 142; proclaimed trespassers, 136; claims ignored by Bourke, 157; Mercer's negotiations in England, 145, 182, etc.; legal opinions of Lushington, 188, 189; of Burge, 191, 192; its proceedings and collapse, 179-194. See Batman, Gellibrand, Mercer, Wedge.
Port Phillip District, character and prospects of settlers, 1836, i., 154, 155; opinions of the Sydney and Launceston Press, 159, 309; visited by Gov. Bourke, March, 1837, 163-168; a Lieut.-Governor, Judge and establishment recommended, 168, 169; population, 1837, 209; Supreme Court opened, 1841, 258; main provisions of the Constitution Act of N.S.W., 1842, 278, 279; six representatives from district chosen, 1843, 258; several resignations and vacancies filled, 282; at next Election, 1848, no candidates proposed, 293; Earl Grey elected for Melbourne, 294; fresh writ issued, Geelong the place of nomination, 295; Australian Government Act, 1850, passed separating district from N.S.W. and formation of the colony of Victoria (*q.v.*), 296-302; in 1850 "a vast sheep walk," 316; self-government in July, 1851, ends the romantic era of the colony's existence, 334, 335; fifty years after, ii., 327. See Melbourne, Portland Bay, Separation, Western Port, etc.
Portland Bay, whalers at, 1832, i., 77; arrival of the Hentys in 1834, 77; visited by Mitchell, 1836, 81, 93; by Wedge, 127; acts of aggression upon aborigines, 184; the outlet for district between the Wannon and Glenelg, 315; Portland town surveyed and land sales, 1839-40, 85, 86, 207, 269, 314; officials appointed, 314. See Henty family.
Presbyterian bodies, i., 326; their union, 326.
Press, pugnacity of, i., 262-266; attitude towards transportation, 275; Sydney press denounce P.P. Association, 180; press panegyrics on Latrobe, 241; denunciations of him, 258, 302; of Melbourne Corporation, 266; issues stopped during rejoicings for five days on receipt of "Separation Act," 300; power of press, 325; on the gold discovery, 338; goads the Government into expenditure, 381; journalistic nagging against Latrobe, 388; press and mining centres, ii., 21; ungenerous taunts towards Latrobe and Hotham, 73. Early newspapers: *Cornwall Chronicle* (Launceston, V.D.L., Fawkner), i., 159, 166; *Sydney Gazette*, 159; *True Colonist* (Hobart), 160; *Melbourne Advertiser* (Fawkner), 170, merged in *P.P. Patriot* (Boursiquot), 241, 263, 324; *P.P. Gazette* (Arden, McCombie), 170, 241, 266, 324, 325; *P.P. Herald* (Cavenagh), 266, 309, 324; *Argus* (Kerr, Edward Wilson, Higinbotham), 242, 275, 325, 340, 347; *Geelong Advertiser*, 313; *Diggers' Advocate*, ii., 30. See *Age*, *Argus*.
Price, John, Inspector Penal Department, murder of, ii., 103.
Privy Council, Judge Willis' appeal, i., 261; case Ah Toy *v.* Musgrove, ii., 273; Right of Appeal to P.C. under Commonwealth Act, 338.
Produce, exports of, 1851, i., 305; 1852-54, 380; 1885-91, ii., 297; 1898-99, 324; 1900, butter, wine, wheat, rabbits, etc., 353-355. See Agriculture, Gold, Imports, Wheat, Wool.
Protection: Customs Tariff, simplicity of, during gold fever, 1852-54, i., 377; protection to native industry, and its advocates, 1864-65, ii., 115; its results in Victoria, 1895, 116; causing 45 per cent. of the population to gravitate to Melbourne and suburbs, 117; protection most needed by the operatives: Factory Acts, Wages Boards and Courts of Arbitration, 117;

under protection the Government regarded as the mainstay of all industry, 118; Tariff tacked to Appropriation Bill, 123; sent up separately, 129; but with aggressive preamble, and rejected by Legislative Council causing deadlock, 130; Protectionist Party overthrows McCulloch Ministry, 156; its failure, 172; Service seeks to reduce Tariff, 174-176; his speech on the Protectionists' policy, 238; Border duties and Customs Officers, Tariff wars and Riparian rights, 327; Protection deposed colony from pride of position in Australia, 350; fallen behind the mother-colony in 1896, 351; its main results to the masses, 352. See Berry, Free Trade, Government (Responsible), McCulloch, Manufactures.

Public Service, The, ii., 242; Commissioners, 243; a growing incubus, 259; cost in 1889, 260; percentage reduction of wages and salaries, 319. See Patronage, Railways.

Public Works, revenue devoted to, i., 341, 382, 384; works accomplished, 1856, ii., 70; unemployed engaged on, 100, 101; Government Offices, Parliament Houses, Law Courts, Governor's Residence, Schools, Royal Mint, Graving Dock, etc., 176, 260. See Melbourne Harbour Trust, Railways, Telegraphs, Waterworks.

Rabbits, eradication, ii., 353; now a source of profit, 354.

Raffaelo, Carboni, Ballaarat rebel, ii., 31, 38; prisoner, 44; acquitted, 50.

Railways: Melbourne and Hobson's Bay, Geelong and Melbourne, Melbourne and Mt. Alexander, i., 385; Report of Committee and progress of, from 1855, ii., 92 *et seq.*; cost in 1858, 95; servants and trades unions, 96; opening of lines to Ballaarat and Sandhurst (Bendigo), 1862, 96; extensions—North-Eastern, Bendigo and Echuca, Ballaarat to Clunes, Maryborough and Dunolly, Ballaarat to Ararat, Geelong to Colac, Melbourne to Sale, 1875, 177; proposed new lines, 236; management, 1862, 242; under Commissioners, 245; accident at Windsor, 245; through line to Sydney, 1883, 249; increasing expenditure, 248, 260; Railway Bill (Gillies) and Standing Committee to consider new lines estimated to cost £41,000,000, 276; Commissioners suspended, 316; and compensated, 317; control and management, 349-350; loans, 93, 94, 95, 188, 238, 248, 275, 296, 349; loss in working, 96, 116, 177, 350.

Ramsay, Robert, Minister of Education, ii., 185.

Read, C. Rudston, Assistant Goldfields Commissioner, ii., 11.

Rede, Robert, Goldfields Commissioner, ii., 26, 34, 36, 38.

Referendum proposed, ii., 324.

Reform League (Ballaarat) and its chief articles, ii., 29; efforts to avoid bloodshed, 38; mass meetings, Melbourne, 47; its Radical programme, 48; all demands in time conceded, 51; new Reform Association, 63; its demands, 64; continued agitation in the Metropolis, 80; People's Convention, 79, 82; Loyal Liberal Convention, 144; Reform and Protection League, 191, 209.

Reid, G. H., Premier, N.S.W., summons other Premiers to Hobart, Feb., 1895, ii., 336; Federal Enabling Bill passed, 337.

Religion, services and places of worship in Melbourne, 1838-39, i., 170; hold of the pulpit, 325; Nonconformist opposition to State aid, 361; £50,000 conserved in New Constitution Act, 1855, 363, ii., 70; State aid extinguished, 1874, 155. See Churches, Presbyterian, Roman Catholic, Wesleyan.

Reserves, parks and gardens, i., 256.

Revenue. See Finance.

Roadknight, Thomas and Wm., early settlers, i., 150, 151, 176, 394, 395.

Robbins, Lieut., examines Port Phillip, discovers the Yarra, 1803, i., 26; reports it eligible for settlement, 48.

Robertson Brothers, members of the P.P. Association, i., 102; their allotment, 134; visit their domain, 140; walk around Geelong Harbour, 143.

Robinson, G. A., and the remnant of Tasmanian aborigines, i., 223.

Robinson, J. P., represents Melbourne in Legislative Council, N.S.W., 1844, i., 282; speaks in favour of separation of P.P., 288.

Robinson, Sir Wm., Acting Governor, ii., 270.
Robson, Robert, journal of Batman's expedition, i., 104, 110.
Rolfe, George, Minister of Customs, ii., 152; defeats Mr. Byrne, 152.
Roman Catholic immigrants, i., 249; interests of, 281; and the Orangemen, 325; education, ii., 166, 170; Dr. Quinn reconciles Duffy and O'Shanassy, 87. See Geoghegan, O'Shanassy, Smyth.
Royal Society of Victoria, ii., 97; and Burke Expedition, ii., 105 *et seq.*
Rucker, W. F. A., agent Derwent Bank, i., 170; buys Melbourne lot, 394.
Rusden referred to, i., 110, 112, 148, 257, 284.
Russell, Lord John (Earl), on Henty claims, i., 86; Melbourne Street named after, 166; on land policy, 205, 206, 254; on transportation, 270; Melbourne meeting denounces his Government, 275; on division of the territory, 284; and boundaries, 285; on Australian Colonies Bill, 1849, 298; introduces new Bill, 1850, 298; Dr. Lang on his land policy, 312, 313; on a Federal House of Delegates, 1849, ii., 329; on a General Assembly, 1853, 329. See Grey, Earl.
Russell, Robert, surveyor at Port Phillip, i., 156; plots township, 157; Melbourne in 1839, 242; on financial troubles, 1842-43, 254.
Rutledge, W., squatter, M.L.C., his "Special" Survey (Kilmore), i., 263; carries resolution on Crown leases, 354.

Sargood, Sir Frederick, M.L.C., Minister of Defence, ii., 241, 289.
Separation of P.P. District from N.S.W., agitation begun, i., 247, 283; Latrobe denounced as adverse to, 258; movement stimulated by a sense of injustice, 278; championed by Dr. Lang, 283; first petition to House of Commons, 1840, 283; petition to the Queen, 1841, 285; movement favoured by Lord John Russell, opposed by Lord Stanley [Earl of Derby], 285; league formed and petitions presented from all public bodies and inhabitants generally, 286; Lang's motion in Legislative Council, 286, 287; debate thereon, speeches of Lowe and others, motion rejected, 288; Lang urges new petition to the Queen, signed by six representatives, handed to Gipps, is forwarded to Lord Stanley, who requests a reconsideration of the subject, report on boundaries, form of government, etc., 290; Latrobe pronounces in favour of Separation, is against a representative body and suggests a nominee Council, which is recommended by Executive Council, N.S.W., to British Government, 291; Earl Grey promises consideration, 292; delay causes impatience, 292; no candidates nominated at next Election, 1848, 293; new writs issued and members elected, 294, 295; news of proposed Bill constituting new colony of Victoria, 1849, 296; delays reported, large meetings held, threatening resolutions passed, 296; Bill introduced House of Commons, 4th June, 1849, 297; read first time 11th June, its progress delayed, 298; Gladstone, Lyttelton and Lowe speak, 297, 298 (*note*); new Bill introduced by Lord John Russell, Australian Government Act, called locally the "Separation Act," passed 5th Aug., 1850, 299; news received, 11th Nov., great demonstrations, proclamation made, 12th Nov., 299, 300; Separation Day observed, 15th July, 1851, afterwards annually on 1st July, 302; fifty years after, ii., 327. See Port Phillip District; Victoria, Colony of.
Service, James, a dweller in Canvas Town, i., 368; ii., 171; elected M.L.A., 65; seconds resolution defeating the O'Shanassy and Duffy Ministry, 76; joins Nicholson Ministry, 81; his Land Act, 1860, 81-83; resigns Lands Department, 84; visits England, 114; declined knighthood, 161; supported Heales' Education Bill, 1862, 163; return to political life after several defeats, 1874, 170; his character, interest in Federation and unity of the Empire, moderate and disinterested, his stand for absolute freedom of commerce kept him out of Parliament ten years, 171; member for Maldon, 172; Treasurer in Kerferd Ministry, 173; endeavours to modify Protectionist policy, Government meets with opposition and resigns, 174-176; on increase of expenditure, 184; on McCulloch's Budget and taxation proposals, 186; on "stonewalling" tactics, 188; declines joining Berry

Ministry, 1877, 192; his proposed land tax, 175, 194; on Berry Embassy to London, 206, 207; forms Cabinet, 211; his Reform Bill rejected and dissolution granted, 212; Berry's adverse vote carried, resigns, declines Coalition and withdraws for a time, 213; his Castlemaine speech on loans, reform, Free Trade and Protection, 238; on Australian Federation, 239, 332-334; returned to House, forms Coalition Ministry, including Berry, 240, 241; his character in debate, 241; initiation of Public Service, Railway Management and other Acts, 242 *et seq.*; financial task, 247; difficulties overcome, 248; lays down the insignia of office to take part in Federal Council, 249; suggested knighthood, 252; appoints Commission on Droughts, 254; attends Colonial Conference in London, 1887, 268; elected Legislative Council, 274; on the public finances, 277; on the great strike, 1890, 286; invited to lead fresh Coalition, 317; on the sending of military contingent to the Soudan, 341.

Shiels, William, M.L.A., Attorney-General in Munro Ministry, ii., 289; Premier, Treasurer and Attorney-General, 289.

Shillinglaw, J. J., edits journals of Grimes, i., 25, of Knopwood, 30.

Shipping, first, from Great Britain to Port Phillip, 1839, i., 170, 247; forty-four immigrant vessels arrived in 1842, 249.

Sievewright, C. W., Protector of aborigines, i., 224; his district, 226, 238; difficulties, 227; Fyan's report on, 231; his suspension, 231; on natives killed for raiding Whyte's Station, 236; attack of whites on natives at Smith and Osprey's Station, 236, 237.

Simpson, James, member of P.P. Association, i., 102; his selection, 133; appointed honorary arbitrator, 146, 150; chairman of first public meeting, 150; represents P.P. Association in Sydney, 193; resigns magistracy, 260; purchases Melbourne allotment, 394.

Sladen, Charles, settler, i., 323; Treasurer, L.C., ii., 59; elected M.L.A., 65; in Legislative Council, objects to tacking of Tariff to Appropriation Bill, 124; forms Ministry, 145; important service rendered, 146; knighted, 1875, 161; Sladen-Cuthbert Bill for reform of Council, 204; on Berry Embassy, 207.

Slavery, abolition of, and treatment of aborigines, i., 218.

Smith, George Paton, Attorney-General in McCulloch Ministry, 1868, ii., 146.

Smith, John Thomas, i., 324; seven times Mayor of Melbourne, 265; erects theatre, 327; elected first Legislative Council, 340; first Legislative Assembly, ii., 63.

Smith, R. Murray-, M.L.A., Agent-General, ii., 231; on the state of the public finances, 277; opposition to, 1897, 324.

Smyth, Rev. Father, Ballaarat, protests against burning of diggers' licences, ii., 35; efforts to save bloodshed, 38, 39; assists Lalor to escape, 45.

Smyth, R. Brough, his *Aborigines of Victoria* referred to, i., 214, 217.

Socialism, State, its delusions, ii., 352, 353.

South Australia, migration of population from, during the gold fever, i., 365; and her part in Federation, ii., 331, 332, 333, 334, 337.

Speight, Richard, Commissioner of Railways and Chairman of Board, ii., 244, 245, 246; suspended, 315; compensated, 316; his successor, 349; returns to England, 350.

Spencer, Baldwin, his *Native Tribes of Australia* referred to, i., 214.

Squatters and land regulations, i., 206, 207; so-called squatting monopoly, 207; their enterprise, privileges, etc., 208; attitude towards aboriginal Protectors, 227; interest in transportation, "exiles" and "expirees," 271, 272; prosperity of, before the gold era, 322; squatters and the mining population and right of pre-emption, 350; their leases, "Disputed Boundaries Act," and surveys, 351; Duke of Newcastle's reply to their claims, 388; their prosperity after the discovery of gold and increase of population renders them territorial aristocrats, 357; Royal Commission and report on squatting tenure, 357, 358; their market for mutton during the influx of population, 1852-54, 376; bitterly denounced, ii., 84; their annual contribution to the Treasury and exportable products, 84; as effected by Duffy's Land Act, 1862, 90; their alleged monoply of the land,

100; Heales' Bill to create "poor squatters," 113; the Shearers' Union, 279, 280; squatter less of an outlaw in N.S.W. than in Victoria, 351.
Stage and theatre, i., 326 *et seq.*, 374.
Standish, Capt., Chief Commissioner of Police, ii., 226.
Stanley, Lord (Earl Derby), and colonial land policy, i., 206; opposes dismemberment or Separation of Port Phillip from N.S.W., 285, 286; receives petition signed by P.P. representatives and requests a reconsideration of boundaries, form of government, etc., 290.
Stawell, Wm. Foster, i., 323; at the Bar, 260; Attorney-General, 340; on rights of the squatters, 352; drafts New Constitution Bill, 361; assists in founding University, 386; prosecutes Ballaarat rebels, ii., 50; his influence over Hotham, 54, 58; relieved of office and reappointed, 59; elected M.L.A., 65; appointed Chief Justice, 75; knighted, 161; Acting-Governor, refuses dissolution to Kerferd, 175; his impartiality in dissolutions impugned, 185; resigns, 269.
Stephen, J. W., M.L.A., joins Francis Ministry, ii., 162; his Education Act, 1870, 165; first Minister of Education, 167; Judge, Supreme Court, 1874, 167.
Stewart, Mr. George, first Police Magistrate, Port Phillip, 1836, i., 148; reports on the Settlement, 149, 152.
Stock, live, taken in at Cape, i., 12; sent from Tasmania to Portland by the Hentys, 79; to Port Phillip, 134; property of Swanston, 140, 142, 145, 174; overland from the Sydney side, 1836-37-38, 174, 175; aggregate of, in 1851, 305; losses by floods and fires, 331, 332.
Strachan, James Ford, M.L.C., purchases Melbourne allotments, i., 392, 393; member of Goldfields Commission, ii., 53.
Strikes, ii., 254, 278; maritime strike, 1890, 280-288; effect of, 291. See Labour, Trade Unions.
Strzelecki, Count, explores Gippsland, 1840, i., 317, 319, 320; discovers gold, 1839, ii., 1.
Stuart, Alex., Premier, N.S.W., delegate Federal Convention, 1883, ii., 333.
Sturt, Capt. Charles, his voyage down the Murray to the sea, 1829-30, i., 69-76; and the aborigines, 217.
Sturt, E. P. S., Magistrate, Ballaarat, 1854, ii., 31; on the march of civilisation in a new country, i., 334.
Summers, Charles, designs memorial to Burke and Wills, explorers, ii., 111.
Sutherland, Joseph, i., 150, 176; purchases Melbourne allotment, 392.
Swanston, Capt. Charles, Hobart banker, member of P.P. Association, i., 102; his selection of land, 133, 142, 145; stock, 140; station, 146, 160, 176; represents P.P. Association in Sydney, 193; purchases Melbourne allotments, 392, 395; street named after, 166.
Sydney Cove, wrecked on Furneaux Islands, 1797, crew reach mainland of Australia, near Cape Howe, i., 15.

Tariff. See Government (Responsible), Protection.
Tasmania (Van Diemen's Land), coast sighted by First Fleet, Jan., 1788, i., 13, 14; circumnavigated by Bass and Flinders, 17; the Black War, 99, 216, 218; a Bishopric, 1848, 268; Tasmanian colonists and their enterprise in Port Phillip, 284; migration of population to Victoria during gold fever, 365; timber, 369; her part in Federation, ii., 331, 333, 335, 337, 338.
Telegraphic communication, ii., 97.
Templeton, J. M., Chairman of Public Service Board, ii., 243.
Therry, Roger, Judge, Supreme Court, 1845-46, i., 262.
Thomas, Capt., 40th Regt., captures Eureka Stockade, ii., 41; his report, 43.
Thomas, Wm., Protector of the aborigines, i., 217; on intertribal fighting, 219, 224; his district, Western Port and Melbourne, 226; his reports contain ethnographical information, 233.
Thomson, Dr. A., of the P.P. Association, consigns cattle in the *Norval*, i., 134; arrives on the Yarra, 146, 147; forms sheep station ("Kardinia") on site of Geelong, 146; attends first public meeting, Melbourne, 150, 151; calls upon Capt. Lonsdale, 154; his station visited by Gellibrand

and Hesse, 160; welcomes Gov. Bourke to Geelong, 167; on Irish immigrants, 249; elected for P.P district, 1843, 279; resigns, 282; purchases land, 311, 312; first mayor of Geelong, 1849, 313; purchases Melbourne allotment, 392.

Trade, profits of, during the gold fever, i., 365, 376; market glutted, 1854, 378; on the goldfields, 378. See Exports, Imports, Produce, etc.

Trade Unions' influence and strikes, ii., 278 *et seq.* See Labour.

Tramways in Melbourne, ii., 294; loans for, 297.

Transportation to American Colonies ceased, 1776, i., 2; to Botany Bay decided on, 1786, 2; convicts in the First Fleet, their comparatively venal offences, 4-10; sent to Port Phillip, 1803, removed to Hobart, 1804, 27-46; convicts employed on public works in Melbourne, 1839, 244; British Orders in Council, 1840-49, 270 *et seq.*; resistance to the British Government on, in 1849, 258; introduction of "expirees" from Tasmania, 1846, 272; Gladstone's inquiries, 272; Conditional Transportation approved by Committee of Legislative Council, N.S.W., 272; petition by colonists in favour of, to Earl Grey, 273; British Cabinet sends convicts and revokes Order in Council of 1840, 274; opposition in Melbourne, 275; *Randolph*, convict vessel, arrives in Hobson's Bay and proceeds to Sydney, 275; meeting of protest in Melbourne, 275; petition to Crown, and convicts ordered to be sent to Moreton Bay, 276; Australian Anti-Transportation League inaugurated, 276; last convicts left England for the Derwent in 1852, Anti-Transportation League revived during gold fever, 345; Western Australia continued to receive convicts till 1867, 277; Convicts Prevention Act, 347; Sir Wm. Denison protests against, Duke of Newcastle disallows, and suggests new Bill, 348; which when presented is passed with firmer and more stringent clauses added: the Crown still withholding consent, Council protests, 349; Hotham assents to measure for one year, and circumstances caused it to remain on the Statute Book of Victoria, 350. See Crime, Penal.

Trench, R. le Poer, Attorney-General, ii., 184; reappointed, 193; resigns, 202; Commissioner of Land Tax, 195.

Trenwith, M.L.C., labour representative, ii., 278, 283; attacks Government, 286; gains experience, 288; on Berry pension, 325.

Trust funds and Colonial securities, ii., 269, 304.

Tucker, A. L., M.L.A., Minister for Lands, ii., 241.

Tuckey, Lieut. J. H., account of the voyage to Port Phillip, 1803, i., 28, 29; his report on Port Phillip, 37-39.

Turner, George, M.L.A., Commissioner of Customs, etc., in Shiels-Berry Ministry, ii., 320; Premier, 1894, his long tenure, retires, 1900, takes part in Queen's Jubilee, 1897, knighted and made Privy Councillor, 321; his Treasurership, 322; displaced by McLean, 1899, returns to power, 1900, 326; called to first Commonwealth Ministry, 326.

University of Melbourne, lands granted, and Act of incorporation passed, i., 385; academic life commenced, ii., 70; endowment under Education Act, 1870, 168; and Sir R. Barry, 222.

Vale, W. M. K., M.L.A., joins Duffy Ministry, ii., 157.

Van Diemen's Land Co., i., 185. See Tasmania.

Verdon, G. F., M.L.A., Treasurer in Heales Ministry, ii., 85; adverse vote on his Budget, 87; joins McCulloch, 91; attitude towards Protection, 119; as Treasurer attaches Tariff to Appropriation Bill, 123; mission to London on Colonial defences, 136; on Mint, 137; made C.B., 137; appointed Agent-General, 146; knighted and resigns, 160.

Vern, Frederic, Ballaarat rebel, ii., 31; proposes to burn diggers' licences, 35; forms stockade, 37; escapes during fight, 42; £500 offered for his capture, 44; sends letter to *Age*, 44.

Victoria, Queen, news received, 1849, that Her Majesty had promised to confer her name on the new Colony, i., 296; patronised International Exhibition,

Melbourne, 1880, ii., 221; address of loyalty to Her Majesty, 1882, 231; Jubilee celebrations, 1887, 262; 1897, 321; signs Charter of the Commonwealth, 333; the one ruler through the history of the District of Port Phillip and the Colony of Victoria, 339. See Governors.

Victoria, Colony of, constituted and proclaimed, 1851, i., 296-302; address to Queen desiring the Colony to be constituted the seat of Supreme Government in Australia, 359; its unique and noble heritage in 1856, ii., 70, 71; progress under administration of Governor Barkly, 92; interest of the Colony in exploration, 105; loss to Victoria of pride and place owing to Protection, 116, 350, 351: basking in prosperity, 1865, in depths of despondency, 1895, 116; talk of "cutting the painter," 128; visit of Prince Alfred, Duke of Edinburgh, 1867-68, 149; intense loyalty of his reception, 150; prestige of the Colony raised by Exhibition of 1880, 222; peace, progress, prosperity, 1883-86, 219, 252; the era of extravagance, 253 *et seq.*; Victorian annals prior to this largely parliamentary, 257; days of trial, lean years that closed the century, 291, 326; Colony becomes a State of the Commonwealth, 327; retrospect and prospect, 327, 356; material comfort of the people, 350; clogs upon the wheels of progress, 352; no privileged classes, 353; increase of population fairly distributed, necessary to develop resources and make Victoria the ideal State of Australia, 356. See Colonial Office, Government, Governors.

Wakefield land system referred to, i., 314.

Walker, Thomas, Sydney merchant, elected for N.S.W. Legislative Council, P.P. district, 1843, i., 280; speaks in favour of Separation, 288.

Walker, W. F., M.L.A., Commissioner of Customs, ii., 253.

Warrnambool town surveyed, land sale, etc., i., 207, 315, 316.

Waterworks, Yan Yean (inaugurated Nov., 1853), i., 330, 384; ii., 97; Water Conservation Act, 1883, 246; loans, 254, 256, 296. See Irrigation.

Webb, R. S., first collector of Customs at Melbourne, i., 156; purchases town lots, 212, 394.

Wedge, J. H., surveyor in Tasmania, i., 100; joins P.P. Association, 102; surveys Port Phillip, 122, 125, 132; warns Fawkner's party, 123; visits Portland, 127; names the "Yarra," 129; sojourning at Indented Head, 149; at first public meeting, Melbourne, 150, 151; expenses allowed, 196; purchaser of town lots, 210, 392.

Welsh, P. W., director P.P. Bank, i., 172.

Wentworth, Wm., and Committee of Legislative Council, N.S.W., advise conditional transportation of convicts, i., 272; introduces Wool Lien Bill, 282; its effect, 283; opposed Murrumbidgee boundary for new colony of Victoria, 302; on Australian Federation, ii., 329, 331.

Were, J. B., committed by Judge Walpole, i., 260; advocates Separation, 284.

Wesleyan town allotment, Melbourne, valued £40, eventually realised £40,000, i., 211; immigrants' home established, 1852, 367.

Westby, Edmund, member Melbourne Town Council, i., 267.

Western Port discovered by Bass, Jan., 1798, i., 15; visited by Lieut. Grant, 1801, 18, 19; by Lieut. Murray, 1802, 19; excursion thither by Lieut. Tuckey, 42; examined and condemned for settlement by Robbins and Oxley, 1804, 47; French expedition there, 1826, 63; Government expedition to, 1826-27, settlement formed and abandoned, 62-67; Batman and Gellibrand's projected settlement, 1827, 101, 113; visited by Fawkner's party, 119; by Gellibrand and others, 140; settlers around in 1840, 317; visited by Strzelecki, 319.

Westgarth, Wm., i., 323, 338; joins Anti-transportation League, 276; elected to N.S.W. Legislative Council in place of Earl Grey, 1850, 294; on Gold-finding Committee, 337; elected to first Victorian Legislative Council, 338; on Committee for increased police protection, 347; on Goldfields Commission, ii., 53.

Wetherell and Wright, Capts., expedition to Western Port, 1826-27, i., 63-67.

Wharves at Melbourne begun, i., 246; Melbourne Harbour Trust, 257.

Wheeler, J. H., M.L.A., joins Munro Ministry, ii., 289.
White, Mr. John, surgeon-superintendent, First Fleet, i., 3, 4, 5, 9.
Whitty, Edward, correspondent of Melbourne *Argus*, ii., 66.
Whyte Brothers' Station on the Wannon, raided by aboriginal natives, March, 1840, and thirty killed, i., 235, 236.
Williams, Edward Eyre, at the Bar, i., 260; judge, 323.
Williams, H. R., M.L.A., Minister of Mines, 1880, of Railways, 1894, ii., 321.
Williamstown, site visited and named by Gov. Bourke, i., 165; first sale of land, 210; lighthouse begun, 246.
Willis, J. Walpole, Judge, Port Phillip, i., 258; his courthouse, 263; quarrels with Bar and Press, 258; his injudicious acts, removal by Gipps, appeal to Privy Council, removal confirmed, 261; addresses the Mayor and Council of first Corporation of Melbourne, 266.
Wills, W. J., accompanies Burke's expedition, ii., 105 *et seq.*
Wilson, Edward, of the *Argus*, i., 340; on Manhood Suffrage, ii., 77.
Wimmera River, discovered by Mitchell, 1836, i., 90, 92.
Wise, Capt., 40th Regt., ii., 32; mortally wounded at capture of Eureka Stockade, 41, 43.
Wood, J. D., Solicitor-General, ii., 76; joins O'Shanassy Ministry, 88.
Woods, John, Minister in Berry's Cabinet, ii., 213; on the great strike, 1890, 286.
Wool, fall in price, ii., 309. See Exports, Produce, Squatters.
Woolley, Dr., Sydney University, lost in the *London*, ii., 136.
Wright, W. H., Chief Commissioner of Goldfields, ii., 12; advises reduction of licence fee, 17, 18; on Goldfields Commission, 53.
Wrixon, Sir H. J., Solicitor-General in McCulloch Ministry, 1870, ii., 154; Attorney-General in Gillies-Deakin Ministry, 1886, 253; states government case before Privy Council in Musgrove *v.* Ah Toy, 273, 288; candidate for Speakership, 289.

Yaldwyn, W. H., member of Separation Deputation to London, 1841, i., 285.
Yarra and Saltwater Rivers discovered by Robbins and Grimes, Feb., 1803, i., 25, 26; eligible for settlement, 46; Batman plans "township" and "village," 111; "Yarra Yarra," named by Wedge (or "Yanna Yanna," according to Gurner), 129; a town proposed by Gov. Bourke, 138 (see Melbourne); money spent on deepening, etc., 310; inundations and floods, 329. See Batman, Fawkner, Melbourne Harbour Trust, etc.
Young, Adolphus, represents Port Phillip in N.S.W. Legislative Council, i., 282; speaks in favour of Separation, 288.
Young, Charles, actor, i., 328.

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